



Tioga County Industrial Development Agency
January 6, 2021 – 4:30 pm
Ronald E Dougherty County Office Building
56 Main Street, Owego, NY 13827
ED&P Conference Room, 2nd Floor
Agenda

Call to Order and Introductions

Attendance

IDA Board Members

Roll Call: J. Ceccherelli, K. Gillette, A. Gowan, T. Monell, M. Sauerbrey, E. Knolles, J. Ward
Absent:
Excused:
Guests: C. Curtis, M. Griffiths, J. Meagher, L. Tinney

Privilege of the Floor:

Approval of Minutes

- A. [December 2, 2020 Regular Meeting Minutes](#)

Financials

- A. [Balance Sheet](#)
- B. [Profit & Loss](#)
- C. [Transaction Detail](#)

ED&P Update: L. Tinney

Project Updates: L. Tinney

- A. Owego Gardens II
 - 1. PILOT Closed
 - 2. Agency fee & Land purchase balance due paid in full
- B. CNYOG
 - 1. [Owego Apalachin CSD Letter of Support](#)
 - 2. [Town of Owego Letter of Support](#)
 - 3. [Tioga County Letter of Support](#)
- C. [Solar Maps](#)
- D. Tax Exempt Properties Data
 - 1. [Pie Chart Maps](#)
 - 2. [Analysis](#)
- E. DRI – Update
 - 1. [DRI Proposal – INHS Project Description](#)
 - 2. [TCIDA Letter to HTFC](#)

Committee Reports: C. Curtis

- A. Public Authority Accountability Act (PAAA)
 - 1. Audit Committee Report: A. Gowan, E. Knolles, J. Ward



- a. No report
2. Governance Committee: J. Ceccherelli, A. Gowan, E. Knolles
 - a. No report
3. Finance Committee: J. Ceccherelli, A. Gowan, J. Ward
 - a. No report
4. Loan Committee: S. Thomas, A. Gowan, R. Kelsey, K. Dougherty, D. Barton, J. Ward, E. Knolles
 - a. No report
5. Railroad Committee: M. Sauerbrey, K. Gillette, T. Monell
 - a. Leaning Pole
 1. Maps – [NYSEG](#) & [Google](#)
 2. RJ Corman closing 12-5-2020
 3. [RJ Corman Request; Updated Consent & Estoppel Original Consent & Estoppel](#)

PILOT Updates: C. Curtis

- A. Sales Tax Exemptions Update: C. Curtis
 1. Best Buy – \$647,637.44/ Authorized \$1,028,429

Grant Updates: C. Curtis

- A. Ag Value Chain
- B. Broadband Study
- C. Town of Richford FEMA Application – Submitted 12-2-2020
- D. Monkey Run FEMA Application – Pending
- E. ESD – Owego Utilities Capital Project – V&S water/sewer extension
 1. Reimbursement request submitted 11-4-2020; reimbursement forthcoming

Motion to move into Executive Session pursuant to Public Officers Law Section 105

Next Meeting: Wednesday February 3, 2020

Adjournment

Tioga County Industrial Development Agency

December 2, 2020 – 4:30 pm

Ronald E Dougherty County Office Building

56 Main Street, Owego, NY 13827

DRAFT

Regular Meeting Minutes via Zoom

- I. **Call to Order and Introductions**-Chairwoman J. Ceccherelli called the meeting to order at 4:31 pm.
- II. **Attendance**
IDA Board Members
Roll Call: J. Ceccherelli, K. Gillette, A. Gowan, T. Monell, M. Sauerbrey, E. Knolles, J. Ward
Absent: None
Excused: None
Guests: C. Curtis, M. Griffiths, J. Meagher, L. Tinney, M. Freeze
- III. **Privilege of the Floor:** None
- IV. **Approval of Minutes**
 - A. November 4, 2020 Regular Meeting Minutes
Motion to approve November 4, 2020 Regular Board Meeting minutes via Zoom, as written. (A. Gowan, E. Knolles)

Aye-7	Absatin-0
No-0	Carried
- V. **Financials**
 - A. Balance Sheet
 - B. Profit & Loss
 - C. Transaction Detail
Motion to acknowledge financials, as presented. (A. Gowan, J. Ward)

Aye-7	Absatin-0
No-0	Carried
- VI. **ED&P Update: L. Tinney**
 - Ms. Tinney reported that ED&P is working on the Southern Tier 8 Opportunity Zones mapping and marketing project. She noted that there are two Opportunity Zones in Tioga County, one in Nichols, and one in Spencer. This will assist ED&P in marketing these areas.
 - ED&P is working with the Village of Nichols and the county on applying for a grant from the USDA for a vacuum truck. Upon receipt of the funds, the truck will be purchased and used by both the village and the county under a shared services agreement.
 - Ms. Tinney has been in contact with five manufacturing businesses that are looking to relocate to the Southern Tier from metro areas.
 - ED&P is working with the Economic Recovery Council to put the strategic plan that they developed in

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place.

- There are currently 18 active DRI project, 6 New York Main Street projects, and 2 Restore New York projects that the department is managing.
- The department currently has 14 potential grants, 2 pending grants, and 18 active grants
- Housing- the Land Bank is working with Ithaca Neighborhood Housing Services (INHS) on a project in the area of Temple Street and Liberty Street in the Village of Owego. The department has also been in contact with SEPP about potential projects in the county
- Agriculture- the Agricultural Value Chain Study is commencing. Ms. Tinney also reported that the department has created a map of all of the known solar projects in the county and their placement in relation to prime farmland. Ms. Tinney is also working on a report to understand the real property impacts of these solar projects in the county
- Workforce Development-the Broome Tioga taskforce is underway. They are working on creating a centralized recruitment tool that is easily accessible for newcomers to the area to find local jobs in Broome and Tioga Counties.
- DRI- B. Woodburn has been working with Ti-Ahwaga Community Players on their DRI project. They were initially awarded \$290,000 for the DRI project, however they cannot move forward with an award of that size at this time. They have redone their scope of work, and have worked out a new project that will result in a new award of approximately \$60,000-\$70,000. Since this will now be a smaller project, Homes & Community Renewal (HCR) has asked that the IDA roll these funds into the already established IDA/HCR contracts. Since Ti-Ahwaga will be relinquishing approximately \$220,000, the state has asked that these funds be reallocated, specifically reallocated to a project that was originally in the DRI plan but was not ultimately funded. Ms. Tinney proposed that these relinquished funds go to a proposal for INHS to collaborate with the Land Bank on their housing project on Liberty Street and Temple Street, which was identified in the original DRI plan, but did not get funded. These funds would be an addition to other funds that INHS has secured for this project. Ms. Tinney asked the board for their opinion on three items: 1. If the board is agreeable to rolling the \$290,000 in funding under the existing DRI multi-site project 2. If the board is agreeable to administering the new Ti-Ahwaga project, and 3. If the board would consider a proposal from INHS for the relinquished funds. Ms. Tinney also reported that the IDA is allowed a 5% administration fee, which would amount to about \$83,000. Ms. Tinney relayed that she may come to the board and ask to use that \$83,000 someplace else, as ED&P largely does the work involved in administering these DRI projects. The board agreed to Ms. Tinney's three questions, and Ms. Tinney will provide more information to the board about this subject at upcoming meetings. ED&P would write a letter to HCR regarding the reallocation of the funds, and HCR would have final say on the decision.

VII. Project Updates: L. Tinney

A. Owego Gardens II

1. Suez Developer Agreements

- Ms. Tinney reported all closing documents will be approved on December 4
- The funds will be disbursed by December 17
- Home Leasing will have equipment on site on December 21
- Next steps will be Department of Health approval
- Wetland credits are in place
- For the water tank, Ms. Tinney has provided revised numbers and new time frame
- Bid packets will be out on December 8, with responses due on December 29
- IDA will award the project at the regular January meeting
- Work will commence on or around January 18
- Before work can begin, developer agreements with Suez needs to be in place, one for the tank and booster station and one for the roadway
- Ms. Tinney reported that J. Meagher was researching the Owego Gardens I project to determine

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if the IDA needs to be the signer on the agreement, or if Home Leasing needs to be the signer. Ms. Tinney requested that an IDA officer sign the developer agreements when J. Meagher determines if the IDA is the appropriate signer.

Motion to authorize IDA officer to be a signer on the developer agreement based on J. Meagher's determination of appropriate signer. (A. Gowan, K. Gillette)

Aye-7	Abstain-0
No-0	Carried

B. CNYOG

- CNYOG had an expired PILOT agreement that had to be extended or renewed
- Ms. Tinney reported that she has spoken to the Town of Owego Board, the Owego Apalachin School Board, and will speak to the County Legislature next week. So far, the Town of Owego and the school district are both on board with the new agreement, and Ms. Tinney expects the County Legislature to be in agreement as well.
- The \$17 million parcel is not part of the agreement, which is a third PILOT that has been put in place. In 2021, this PILOT will be at 90%.
- The new agreement will need to be written so the \$87 million property will be at 100% for 5 years, and the \$17 million property will start at 90% and go to 100% for four years.
- Once Ms. Tinney has received resolutions from these entities, she will work with Mr. Meagher to approach Crestwood and bring forth the request for them to make the PILOT application.

Ms. Tinney finished her update with opening a discussion regarding pending legislation related to the legalized sale of marijuana in New York. Ms. Tinney wished to get the board's thoughts on potential PILOT agreements and marijuana companies. She inquired about the board's stance on the potential of a project involving growing and retail sales of marijuana coming to Tioga County and requesting a PILOT. Mr. Gowan brought up the point that the growing of marijuana could be considered agriculture, and the IDA cannot do anything for agriculture projects. Ms. Tinney relayed that there could be different parts of the marijuana business, including growing, retail and wholesale sale. Mr. Meagher indicated that he would have to look into whether or not this type of operation would be considered an agricultural project, thereby preventing the board from offering a PILOT to such a project. The board was overall skeptical of offering a PILOT to this type of operation, and noted the difference between the hemp business and the marijuana business.

VIII. Committee Reports: C. Curtis

A. Public Authority Accountability Act (PAAA)

1. Audit Committee Report: A. Gowan, E. Knolles, J. Ward
 - a. Annual Audit-Week of January 11th
2. Governance Committee: J. Ceccherelli, A. Gowan, E. Knolles
 - a. Procurement Policy-In December 2019, there was a revision approved, however there was a typing error. C. Curtis will revise and the board can accept the correction and approve it in January.
3. Finance Committee: J. Ceccherelli, A. Gowan, K. Gillette
 - a. Investment Policy: Site Development CD & Infrastructure CD-Ms. Curtis reported that they are looking to replenish these CDs, and she will be looking to their financial institutions to gather CD rates.
4. Loan Committee: S. Thomas, A. Gowan, R. Kelsey, K. Dougherty, D. Barton, J. Ward, J. Ceccherelli
 - a. IRP Scope of Work – Revision Approved by USDA-these revisions are regarding allowing the loan of funds to alcohol businesses, brewing and alcohol retail, but not taverns and bars.
5. Railroad Committee: J. Ceccherelli, K. Gillette, T. Monell
 - a. Liability Insurance Quotes-Ms. Curtis reported she is reaching out to various companies to find the best rate.
 - b. Surface Transportation Board approval was issued-this is the transfer to RJ Corman

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c. Closing anticipated week of 12/7/2020

IX. PILOT Updates: C. Curtis

A. Sales Tax Exemptions Update: C. Curtis

1. V&S New York Galvanizing – \$677,713.58/ Authorized \$771,000
2. Best Buy – \$644,569.19/ Authorized \$1,028,429
3. Owego Gardens II-Sales Tax Exemption Extension Request-Ms. Curtis requested the board to approve this extension since construction at the site still has not taken place.

Motion to approve extension of sales tax exemption until June 30, 2023. (A. Gowan, K. Gillette)

Aye-7	Abstain-0
No-0	Carried

X. Grant Updates: C. Curtis

A. Ag Value Chain-Ms. Curtis reported that this study is in progress

B. Broadband Study

1. STN – TCIDA Agreement-currently, there is an agreement between the county and STN, and the county and the IDA. Ms. Tinney requested there be an agreement between STN and the IDA to streamline the process.

Motion to approve direct agreement between STN and the IDA (E. Knolles, A. Gowan)

Aye-7	Abstain-0
No-0	Carried

C. Town of Richford FEMA Application-Submitted 12-2-2020. Ms. Curtis reported that this grant was submitted today and the IDA match for the grant is 10%

D. Monkey Run FEMA Application – Pending

E. ESD – Owego Utilities Capital Project – V&S water/sewer extension

1. Reimbursement request submitted 11-4-2020; reimbursement forthcoming-Ms. Curtis reported that this reimbursement is expected in the second quarter of 2021.

XI. Motion to move into Executive Session pursuant to Public Officers Law Section 105 at 5:08 pm to discuss financial matter, property acquisition, and personal matters. (M. Sauerbrey, K. Gillette).

Motion to adjourn Executive Session at 5:35 pm (M. Sauerbrey, J. Ward)

XII. Next Meeting: Wednesday January 6, 2020-Ms. Curtis noted that the annual meeting will begin at 4:00 prior to the regular meeting on January 6.

XIII. Adjournment-Mr. Gowan motioned to adjourn the meeting at 5:37 pm.

Tioga County Industrial Development Agency

Balance Sheet

As of December 31, 2020

	Dec 31, 20	Dec 31, 19	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Restricted Cash Accounts			
COVID-19	393,570.51	0.00	393,570.51
Community- Facade Improvement	151,732.69	106,411.86	45,320.83
CCTC- Industrial Park	9,706.03	11,995.37	-2,289.34
USDA Funds			
CCTC- Loan Loss Reserve	40,463.58	40,445.02	18.56
TSB- IRP 2016 (Formerly IRP 4)	160,276.00	157,719.73	2,556.27
TSB- RBEG	140,182.74	130,409.56	9,773.18
TSB- marketing	1,115.71	1,477.88	-362.17
Total USDA Funds	<u>342,038.03</u>	<u>330,052.19</u>	<u>11,985.84</u>
Total Restricted Cash Accounts	<u>897,047.26</u>	<u>448,459.42</u>	<u>448,587.84</u>
CCTC- CDs			
Land Acquisition (879)	545,414.33	540,715.81	4,698.52
Capital Improvement (284)	318,847.13	318,847.13	0.00
Total CCTC- CDs	<u>864,261.46</u>	<u>859,562.94</u>	<u>4,698.52</u>
Temporarily Restricted Cash Acc			
TSB-Owego Gardens	81.35	84.35	-3.00
TSB-Crown Cork and Seal	105.67	105.67	0.00
Community- BestBuy PILOT Acct.	369.98	600,270.54	-599,900.56
Total Temporarily Restricted Cash Acc	<u>557.00</u>	<u>600,460.56</u>	<u>-599,903.56</u>
Unrestricted Cash Accounts			
TSB ICS	1,863,385.27	2,155,867.06	-292,481.79
TSB- checking	165,949.66	138,254.48	27,695.18
TSB- general fund	25,692.65	125,619.38	-99,926.73
Total Unrestricted Cash Accounts	<u>2,055,027.58</u>	<u>2,419,740.92</u>	<u>-364,713.34</u>
Total Checking/Savings	<u>3,816,893.30</u>	<u>4,328,223.84</u>	<u>-511,330.54</u>
Other Current Assets			
COVID-19 ERLP			
C-7-A	25,000.00	0.00	25,000.00
C-5-A	9,732.22	0.00	9,732.22
C-4-A	9,463.89	0.00	9,463.89
C-2-A	13,882.67	0.00	13,882.67
C-1-A	23,659.71	0.00	23,659.71
Total COVID-19 ERLP	<u>81,738.49</u>	<u>0.00</u>	<u>81,738.49</u>
Accounts Receivable 1300.01	<u>523,865.41</u>	<u>453,517.40</u>	<u>70,348.01</u>
Allowance for Doubtful Accounts	<u>-35,000.00</u>	<u>-35,000.00</u>	<u>0.00</u>
Commercial Facade Loan Program			
Loan Rec - 2017-01-C	26,875.00	34,375.00	-7,500.00
Loan Rec - 2018-03-C	13,437.50	16,562.50	-3,125.00
Loan Rec - 2018-02-C	0.00	900.75	-900.75
Loan Rec - 2018-01-C	4,620.02	6,420.02	-1,800.00
Loan Rec - 2017-03-C	4,070.00	7,070.00	-3,000.00
Loan Rec - 2017-02-C	19,466.50	24,333.07	-4,866.57
Loan Rec - 2016-03-C	6,289.68	9,024.48	-2,734.80
Loan Rec - 2016-02-C	12,500.24	20,833.52	-8,333.28
Loan Rec - 2016-01-C	0.00	4,280.22	-4,280.22
Loan Rec - 2015-06-C	5,487.84	9,146.44	-3,658.60
Loan Rec - 2014-01-C	0.00	1,356.12	-1,356.12
Loan Rec - 2015-05-C	4,195.50	6,975.61	-2,780.11
Total Commercial Facade Loan Program	<u>96,942.28</u>	<u>141,277.73</u>	<u>-44,335.45</u>
RBEG			
Loan Rec - RBEG 2019 -06	69,936.81	76,712.97	-6,776.16
Total RBEG	<u>69,936.81</u>	<u>76,712.97</u>	<u>-6,776.16</u>
IRP 4			
Loan Rec 2019-07-A	39,111.03	0.00	39,111.03
Loan Rec - 2019 - 06A	87,423.32	95,891.19	-8,467.87
Loan Rec 2018-02-A	6,885.46	7,906.78	-1,021.32
Loan Rec 2018-01-A	62,584.00	65,279.06	-2,695.06
Loan Rec 2017-05-A	7,503.40	11,520.24	-4,016.84
Loan Rec 2017-04-A	33,220.90	34,773.36	-1,552.46
Loan Rec 2017-03-A	0.00	15,307.59	-15,307.59
Loan Rec 2017-02-A	42,118.06	58,803.48	-16,685.42
Loan Rec 2017-01-A	16,977.72	18,800.34	-1,822.62
Loan Rec 2016-01-A	4,525.45	13,122.75	-8,597.30
Loan Rec 2009-02-A	49,851.58	51,251.58	-1,400.00
Total IRP 4	<u>350,200.92</u>	<u>372,656.37</u>	<u>-22,455.45</u>
IRP 3			
Loan Rec 2007-08-A	14,462.33	20,193.42	-5,731.09
Total IRP 3	<u>14,462.33</u>	<u>20,193.42</u>	<u>-5,731.09</u>
IRP 2			

Tioga County Industrial Development Agency

Balance Sheet

As of December 31, 2020

01/04/21

Accrual Basis

	Dec 31, 20	Dec 31, 19	\$ Change
Loan Rec 2011-03-A	15,801.35	24,819.79	-9,018.44
Total IRP 2	15,801.35	24,819.79	-9,018.44
Total Other Current Assets	1,117,947.59	1,054,177.68	63,769.91
Total Current Assets	4,934,840.89	5,382,401.52	-447,560.63
Fixed Assets			
Land- Mitchell	58,453.51	58,453.51	0.00
Equipment			
2012 computer upgrade	1,436.88	1,436.88	0.00
Equipment - Other	264.00	264.00	0.00
Total Equipment	1,700.88	1,700.88	0.00
Land- Cavataio	2,500.00	2,500.00	0.00
Land-general	601,257.05	601,257.05	0.00
Land-Louns			
Lopke	8,993.03	8,993.03	0.00
Town of Nichols	20,000.00	20,000.00	0.00
Berry	2,452.20	0.00	2,452.20
Hess	259,561.43	259,561.43	0.00
Land-Louns - Other	139,612.53	139,612.53	0.00
Total Land-Louns	430,619.19	428,166.99	2,452.20
Land 434	376,800.36	376,800.36	0.00
Railroad Improvements	1,979,330.50	1,979,330.50	0.00
Z Accumulated Depreciation	-1,197,077.10	-1,197,077.10	0.00
Total Fixed Assets	2,253,584.39	2,251,132.19	2,452.20
TOTAL ASSETS	7,188,425.28	7,633,533.71	-445,108.43
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Accrued Expenses	0.00	12,395.00	-12,395.00
PILOT Payments			
Spencer-Tioga Solar			
School	-45,284.51	0.00	-45,284.51
County	-26,526.09	0.00	-26,526.09
Town	-17,789.40	0.00	-17,789.40
Spencer-Tioga Solar - Other	89,600.00	0.00	89,600.00
Total Spencer-Tioga Solar	0.00	0.00	0.00
Gateway Owego, LLC			
Village	-505.41	0.00	-505.41
County	-323.33	0.00	-323.33
School	-744.23	0.00	-744.23
Town	-27.72	0.00	-27.72
Gateway Owego, LLC - Other	1,600.69	0.00	1,600.69
Total Gateway Owego, LLC	0.00	0.00	0.00
Crown Cork and Seal			
School	-193,696.44	0.00	-193,696.44
County & Recycle	-89,725.36	0.00	-89,725.36
Town	-16,578.20	0.00	-16,578.20
Crown Cork and Seal - Other	300,000.00	0.00	300,000.00
Total Crown Cork and Seal	0.00	0.00	0.00
Owego Gardens			
County & Recycle	-1,293.37	0.00	-1,293.37
Town	-110.90	0.00	-110.90
Village	-2,021.72	0.00	-2,021.72
School	-2,977.01	0.00	-2,977.01
Owego Gardens - Other	6,453.00	50.00	6,403.00
Total Owego Gardens	50.00	50.00	0.00
CNYOG	0.00	274,971.50	-274,971.50
Best Buy PP	0.00	600,000.00	-600,000.00
Total PILOT Payments	50.00	875,021.50	-874,971.50
Total Other Current Liabilities	50.00	887,416.50	-887,366.50
Total Current Liabilities	50.00	887,416.50	-887,366.50
Long Term Liabilities			
Tioga County COVID-19 ERLP	475,000.00	0.00	475,000.00
Loan Pay- IRP 4	212,507.33	222,620.13	-10,112.80
Loan Pay- IRP 3	181,608.37	192,027.10	-10,418.73
Loan Pay- IRP 2	112,327.63	123,432.31	-11,104.68
Loan Pay- IRP 1	53,900.28	61,543.98	-7,643.70
Total Long Term Liabilities	1,035,343.61	599,623.52	435,720.09

Tioga County Industrial Development Agency

Balance Sheet

As of December 31, 2020

	Dec 31, 20	Dec 31, 19	\$ Change
Total Liabilities	1,035,393.61	1,487,040.02	-451,646.41
Equity			
Board Designated Funds	1,406,302.63	1,406,302.63	0.00
1110 - Retained Earnings	4,740,191.06	4,770,371.71	-30,180.65
Net Income	6,537.98	-30,180.65	36,718.63
Total Equity	6,153,031.67	6,146,493.69	6,537.98
TOTAL LIABILITIES & EQUITY	7,188,425.28	7,633,533.71	-445,108.43

Tioga County Industrial Development Agency

Profit & Loss

01/04/21

January through December 2020

Accrual Basis

	Jan - Dec 20	Jan - Dec 19	\$ Change
Ordinary Income/Expense			
Income			
Bank Service Charge Refund	47.50	0.00	47.50
Refund of Insurance	117.00	1,237.00	-1,120.00
Loan Interest Income			
COVID-19 C-5-A	20.83	0.00	20.83
COVID-19 C-1-A	102.77	0.00	102.77
COVID-19 C-2-A	61.01	0.00	61.01
COVID-19 C-4-A	41.11	0.00	41.11
IRP 4 - 2019 - 06A	3,681.53	1,965.89	1,715.64
RBEG 2019 -06	2,943.36	1,572.73	1,370.63
IRP 2			
2011-03-A	781.48	1,555.13	-773.65
Total IRP 2	781.48	1,555.13	-773.65
IRP 3			
2007-08-A	828.20	1,655.29	-827.09
Total IRP 3	828.20	1,655.29	-827.09
IRP 4			
2019-07-A	1,040.33	0.00	1,040.33
2018-02-A	199.00	380.28	-181.28
2018-01-A	1,777.58	2,391.00	-613.42
2017-04-A	895.54	1,615.28	-719.74
2017-03-A	211.63	373.43	-161.80
2017-05-A	183.16	354.71	-171.55
2017-01-A	337.38	502.31	-164.93
2017-02-A	1,279.78	1,543.30	-263.52
2016-01-A	460.90	879.34	-418.44
2015-03-A	0.00	185.89	-185.89
2010-02-A	0.00	148.01	-148.01
Total IRP 4	6,385.30	8,373.55	-1,988.25
Loan Interest Income - Other	0.00	835.38	-835.38
Total Loan Interest Income	14,845.59	15,957.97	-1,112.38
Loan Program Fee			
COVID-19 ERLP	500.00	0.00	500.00
Facade	800.00	0.00	800.00
IRP 4	0.00	1,950.00	-1,950.00
RBEG	0.00	150.00	-150.00
Total Loan Program Fee	1,300.00	2,100.00	-800.00
Loan Late Fee			
COVID-19 C-1-A	21.65	0.00	21.65
2016-02-C	145.81	0.00	145.81
RBEG 2019-16	48.60	0.00	48.60
IRP 4 2019-06-A	60.74	0.00	60.74
2018-02-A	0.00	5.00	-5.00
2017-01-A	0.00	10.00	-10.00
2018-01-C	10.00	5.00	5.00
2015-03 - 2015-03-A	0.00	60.00	-60.00
Loan Late Fee - Other	5.00	0.00	5.00
Total Loan Late Fee	291.80	80.00	211.80
Loan Administrative Fee			
IRP 4	0.00	695.89	-695.89
Loan Administrative Fee - Other	447.24	0.00	447.24
Total Loan Administrative Fee	447.24	695.89	-248.65
4110 - Grants			
Ag Value Chain	28,745.00	0.00	28,745.00

Tioga County Industrial Development Agency

Profit & Loss

01/04/21

January through December 2020

Accrual Basis

	Jan - Dec 20	Jan - Dec 19	\$ Change
Waverly Trade Center DOT Grant	0.00	10,880.00	-10,880.00
4110 · Grants - Other	232,500.00	649,504.25	-417,004.25
Total 4110 · Grants	261,245.00	660,384.25	-399,139.25
Interest Income-			
Interest Income- TSB ICS	7,518.21	21,915.10	-14,396.89
Community- Facade Improvement	24.57	42.51	-17.94
CCTC Loan Loss Reserve Account	18.56	20.23	-1.67
CCTC CD Land Acquisition (879)	4,698.52	6,173.80	-1,475.28
CCTD CD Capital Improvement(284)	0.00	3,630.14	-3,630.14
Community- Lounsberry	99.44	107.30	-7.86
TSB- checking	213.07	388.75	-175.68
TSB-general fund	73.27	100.45	-27.18
TSB- IRP 4	33.31	51.85	-18.54
TSB- RBEG	30.06	48.16	-18.10
TSB- marketing	0.33	0.44	-0.11
Total Interest Income-	12,709.34	32,478.73	-19,769.39
Leases/Licenses	13,013.40	11,740.37	1,273.03
4150 · Miscellaneous Income	0.00	0.00	0.00
OHRy			
freight	100,666.95	105,070.00	-4,403.05
OHRy - Other	0.00	16,000.00	-16,000.00
Total OHRy	100,666.95	121,070.00	-20,403.05
4170 · PILOT Program Fees			
Owego Gardens II	150,000.00	0.00	150,000.00
V&S NY Galvanizing LLC	0.00	84,131.50	-84,131.50
Gateway	0.00	0.39	-0.39
Owego Garden - Home Leasing	0.00	2,500.00	-2,500.00
Best Buy	0.00	18,570.00	-18,570.00
Total 4170 · PILOT Program Fees	150,000.00	105,201.89	44,798.11
Sale of Property	6,600.00	0.00	6,600.00
Total Income	561,283.82	950,946.10	-389,662.28
Expense			
IDA Paint Program			
2019 · 2019	0.00	2,253.54	-2,253.54
Total IDA Paint Program	0.00	2,253.54	-2,253.54
66900 · Reconciliation Discrepancies	0.00	0.00	0.00
Grant Expense			
Broadband Study	65,397.00	0.00	65,397.00
Ag Value Chain	38,745.00	0.00	38,745.00
Grant Expense - Other	232,568.20	649,504.25	-416,936.05
Total Grant Expense	336,710.20	649,504.25	-312,794.05
Marketing	362.50	0.00	362.50
Waverly Trade Center DOT Grant	-453.05	10,880.00	-11,333.05
Tioga Industrial Park	2,289.34	0.00	2,289.34
Education			
Haskell	0.00	139.00	-139.00
Curtis	530.00	919.00	-389.00
Education - Other	0.00	50.00	-50.00
Total Education	530.00	1,108.00	-578.00
Loan Admin Fee			
IRP 4	1,143.13	0.00	1,143.13

Tioga County Industrial Development Agency

Profit & Loss

01/04/21

January through December 2020

Accrual Basis

	Jan - Dec 20	Jan - Dec 19	\$ Change
Total Loan Admin Fee	1,143.13	0.00	1,143.13
Loan Program Expense			
COVID-19 ERLP	137.30	0.00	137.30
IRP 4	0.00	45.00	-45.00
Loan Program Expense - Other	221.55	60.00	161.55
Total Loan Program Expense	358.85	105.00	253.85
6120 · Bank Service Charges			
Check order			
TSB IRP 4	15.00	57.30	-42.30
TSB RBEG	25.00	57.30	-32.30
Total Check order	40.00	114.60	-74.60
6120 · Bank Service Charges - Other	71.50	60.00	11.50
Total 6120 · Bank Service Charges	111.50	174.60	-63.10
Copies	0.00	489.40	-489.40
6150 · Depreciation Expense	0.00	21,286.67	-21,286.67
6160 · Dues and Subscriptions	1,844.00	1,785.00	59.00
Employee benefit			
IRA Company Match	1,349.92	1,373.12	-23.20
IRA	0.00	0.00	0.00
Total Employee benefit	1,349.92	1,373.12	-23.20
6180 · Insurance			
WC (Utica)	622.00	663.00	-41.00
Travel/Accident (Hartford)	750.00	750.00	0.00
D & O (Philadelphia Ins. Co)	4,203.00	3,292.00	911.00
6190 · Disability (First Rehab Life)	243.27	157.04	86.23
Employee Health (SSA)	5,519.16	4,814.81	704.35
6185 · Property & Liability (Dryden)	10,678.20	9,860.13	818.07
RR Liability (Steadfast)	25,529.80	19,923.84	5,605.96
WC (Amtrust)	0.00	788.00	-788.00
Total 6180 · Insurance	47,545.43	40,248.82	7,296.61
6200 · Interest Expense	5,996.23	6,385.15	-388.92
6240 · Miscellaneous	119.07	602.66	-483.59
6550 · Office Supplies			
other	0.00	173.32	-173.32
6550 · Office Supplies - Other	0.00	1,476.56	-1,476.56
Total 6550 · Office Supplies	0.00	1,649.88	-1,649.88
6560 · Payroll Expenses			
Payroll Expenses - HSA	1,800.00	1,500.00	300.00
6560 · Payroll Expenses - Other	47,317.34	42,443.50	4,873.84
Total 6560 · Payroll Expenses	49,117.34	43,943.50	5,173.84
6250 · Postage and Delivery	27.45	128.84	-101.39
6270 · Professional Fees			
Ag Ec Dev Specialist Position	20,000.00	16,526.00	3,474.00
Administrative Services			
Tinney, M	2,700.00	3,200.00	-500.00
Haskell	7,750.00	9,300.00	-1,550.00
Tinney	25,500.00	23,375.00	2,125.00
Total Administrative Services	35,950.00	35,875.00	75.00
6650 · Accounting			
Jan Nolis	3,070.00	3,471.25	-401.25

Tioga County Industrial Development Agency

01/04/21

Profit & Loss

Accrual Basis

January through December 2020

	Jan - Dec 20	Jan - Dec 19	\$ Change
6650 · Accounting - Other	7,000.00	12,500.00	-5,500.00
Total 6650 · Accounting	10,070.00	15,971.25	-5,901.25
6655 · Consulting	0.00	2,500.00	-2,500.00
6280 · Legal Fees			
Special Project Fees	0.00	18,000.00	-18,000.00
6280 · Legal Fees - Other	28,514.95	39,547.90	-11,032.95
Total 6280 · Legal Fees	28,514.95	57,547.90	-29,032.95
6270 · Professional Fees - Other	0.00	8,744.94	-8,744.94
Total 6270 · Professional Fees	94,534.95	137,165.09	-42,630.14
6670 · Program Expense			
Water Tower	8,640.79	57,062.25	-48,421.46
Total 6670 · Program Expense	8,640.79	57,062.25	-48,421.46
Property Taxes			
Stanton Hill 9.64A Town Lot	234.97	0.00	234.97
96 · Smith Creek Rd	256.00	181.63	74.37
540 · Stanton Hill	177.83	21.03	156.80
Spring St	0.26	0.25	0.01
Berry Road (47)	149.85	106.32	43.53
Carmichael Road	4.43	3.95	0.48
Smith Creek Road	24.90	17.66	7.24
Glenmary Drive	10.49	11.03	-0.54
Metro Road	8.74	9.19	-0.45
Total Property Taxes	867.47	351.06	516.41
Real Estate Taxes	0.00	2,357.00	-2,357.00
6770 · Supplies	2,009.11	865.06	1,144.05
6340 · Telephone	0.00	240.06	-240.06
6350 · Travel & Ent			
6380 · Travel	0.00	556.96	-556.96
6350 · Travel & Ent - Other	1,703.24	610.84	1,092.40
Total 6350 · Travel & Ent	1,703.24	1,167.80	535.44
Total Expense	554,807.47	981,126.75	-426,319.28
Net Ordinary Income	6,476.35	-30,180.65	36,657.00
Other Income/Expense			
Other Income			
Interest Income - TSB COVID19	61.63	0.00	61.63
Total Other Income	61.63	0.00	61.63
Net Other Income	61.63	0.00	61.63
Net Income	6,537.98	-30,180.65	36,718.63

Tioga County Industrial Development Agency

Transaction Detail

December 2020

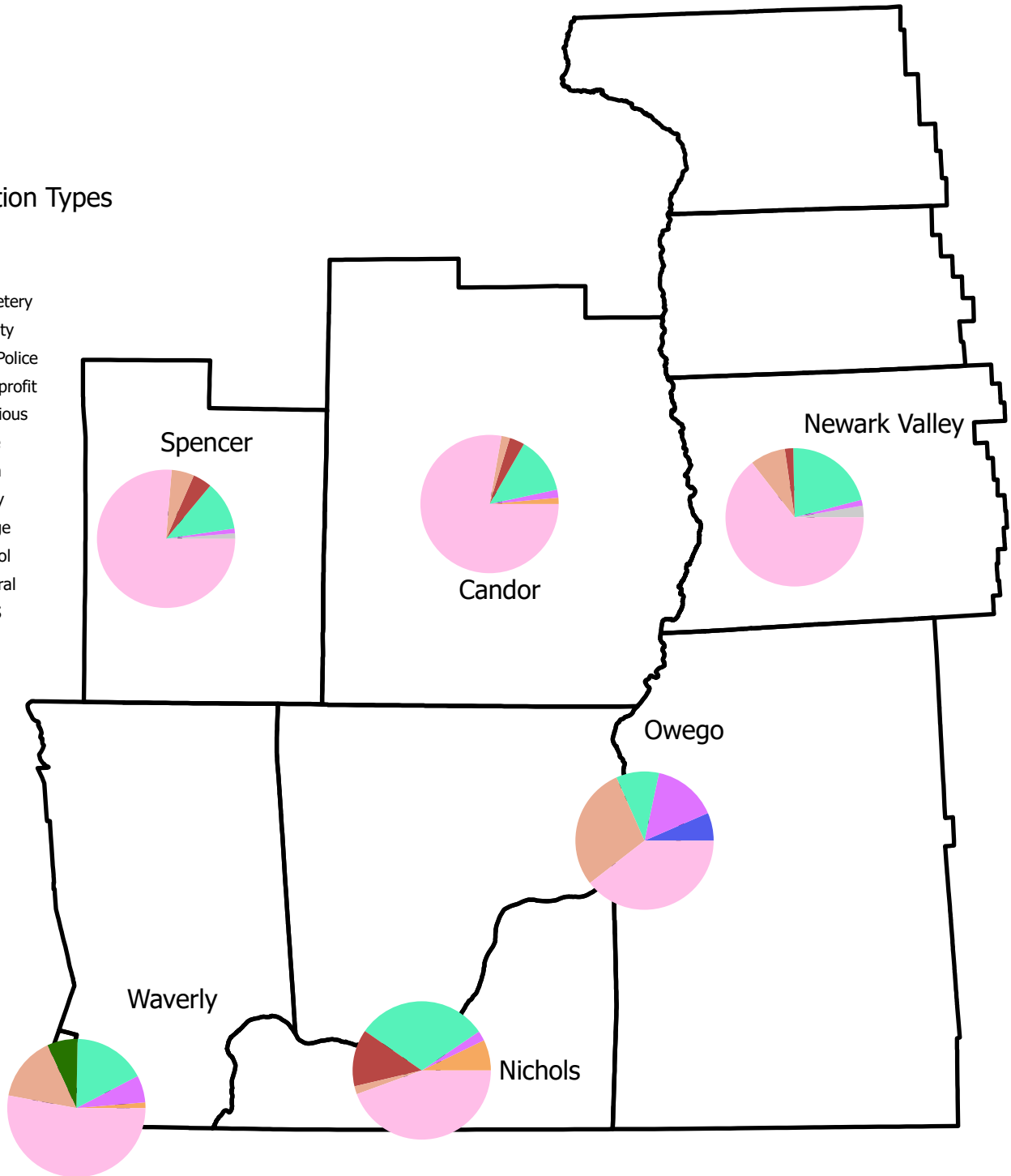
Type	Date	Num	Name	Memo	Amount
Restricted Cash Accounts					
COVID-19					
Deposit	12/03/2020			Loan Pmts	288.61
Deposit	12/04/2020			Loan Pmt	432.92
Deposit	12/07/2020			Loan Pmt	288.61
Deposit	12/31/2020			Court View Prop COVID Loan - Full Pmt	60,000.00
Total COVID-19					61,010.14
Community- Facade Improvement					
Deposit	12/01/2020			Loan pmt	250.00
Deposit	12/03/2020			Loan pmt	625.00
Deposit	12/04/2020			Loan Pmts	1,518.40
Deposit	12/07/2020			Loan Pmt	150.00
Deposit	12/21/2020			Loan pmt	273.48
Deposit	12/31/2020			Loan pmts	1,127.67
Total Community- Facade Improvement					3,944.55
USDA Funds					
TSB- IRP 2016 (Formerly IRP 4)					
Deposit	12/01/2020			Loan Pmt	306.00
Deposit	12/03/2020			Loan Pmts	5,082.09
Deposit	12/04/2020			Loan Pmts	660.00
Deposit	12/04/2020			Loan pmt	321.55
Deposit	12/07/2020			Loan Pmt	152.54
Deposit	12/10/2020			Loan Pmt	559.08
Deposit	12/31/2020			Loan pmt	728.81
Total TSB- IRP 2016 (Formerly IRP 4)					7,810.07
TSB- RBEG					
Deposit	12/03/2020			Loan Pmt	809.96
Total TSB- RBEG					809.96
Total USDA Funds					8,620.03
Total Restricted Cash Accounts					73,574.72
Unrestricted Cash Accounts					
TSB- checking					
Check	12/03/2020	6591	LeeAnn Tinney	Dec 2020 Professional Services	-2,125.00
Check	12/03/2020	6592	Madison Tinney.	Nov 2020	-300.00
Check	12/07/2020	X	NYS Division of the Treasury	Nov 2020 State Tax Deposit	-135.72
Check	12/09/2020	6593	Christine E Curtis	Pay Period: 11/22/2020-12/05/2020	-1,311.44
Check	12/10/2020	6594	The Business Council	2020 Business Council Membership	-709.00
Check	12/15/2020	X	EFTPS 941 Tax Payment	Nov 2020 Federal Tax Deposit	-781.96
Check	12/21/2020	6595	Zoom	VOID: Livestream Standard Pro & Webinar 100 Svcs 12/1/20 - 11/3...	0.00
Check	12/21/2020	6596	Christine E Curtis	Pay Period: 12/6/2020-12/19/2020	-1,311.44
Check	12/21/2020	6597	Franklin Templeton	Dec 2020 Simple IRA - C. Curtis	-207.68
Check	12/21/2020	6598	Tioga County	IT Inv#3491 Dec Verizon	-40.01
Check	12/21/2020	6599	Zoom Video Communications Inc	INV57713767 12/16/2020-12/15/2021	-549.90
Deposit	12/21/2020			OHRV	7,535.15
Deposit	12/23/2020			Owego Gardens II - agency fee and land purchase balance	155,600.00
Check	12/28/2020	6600	KK&P	Ag Value Chain Consultation Invoice 3987	-10,000.00
Check	12/28/2020	6601	Tioga County ED&P	Ag Dev Spec Contribution Inv#Ag-4Q	-5,000.00
Check	12/28/2020	6602	Southern Tier Network, Inc.	Inv 3288 Broadband Study	-65,397.00
Check	12/28/2020	6603	Jan Nolis, CPA	Prof Svcs	-550.00
Check	12/28/2020	6604	Excellus Health Plan	Jan 2021 Inv 26928934	-461.95
Check	12/31/2020	6605	Christine Curtis	Dec HSA	-150.00
Check	12/31/2020	6606	Christine Curtis	Mileage Reimbursement 8-6-20 - 12-31-20	-189.72
Check	12/31/2020	6607	Madison Tinney.	Dec 2020	-300.00
Deposit	12/31/2020			NVHS - Depot Insurance Pmt Rfnd	117.00
Check	12/31/2020	X	Intuit	check order	-271.06
Check	12/31/2020	X	EFTPS 941 Tax Payment	Dec 2020 Federal Tax Deposit	-781.98
Check	12/31/2020	X	NYS Division of the Treasury	Dec 2020 State Tax Deposit	-135.72
Total TSB- checking					72,542.57
Total Unrestricted Cash Accounts					72,542.57
TOTAL					146,117.29

Village Exempt Full Values

Exemption Types
















- Cemetery
- County
- Fire/Police
- Non-profit
- Religious
- State
- Town
- Utility
- Village
- School
- Federal
- USPS
- IDA

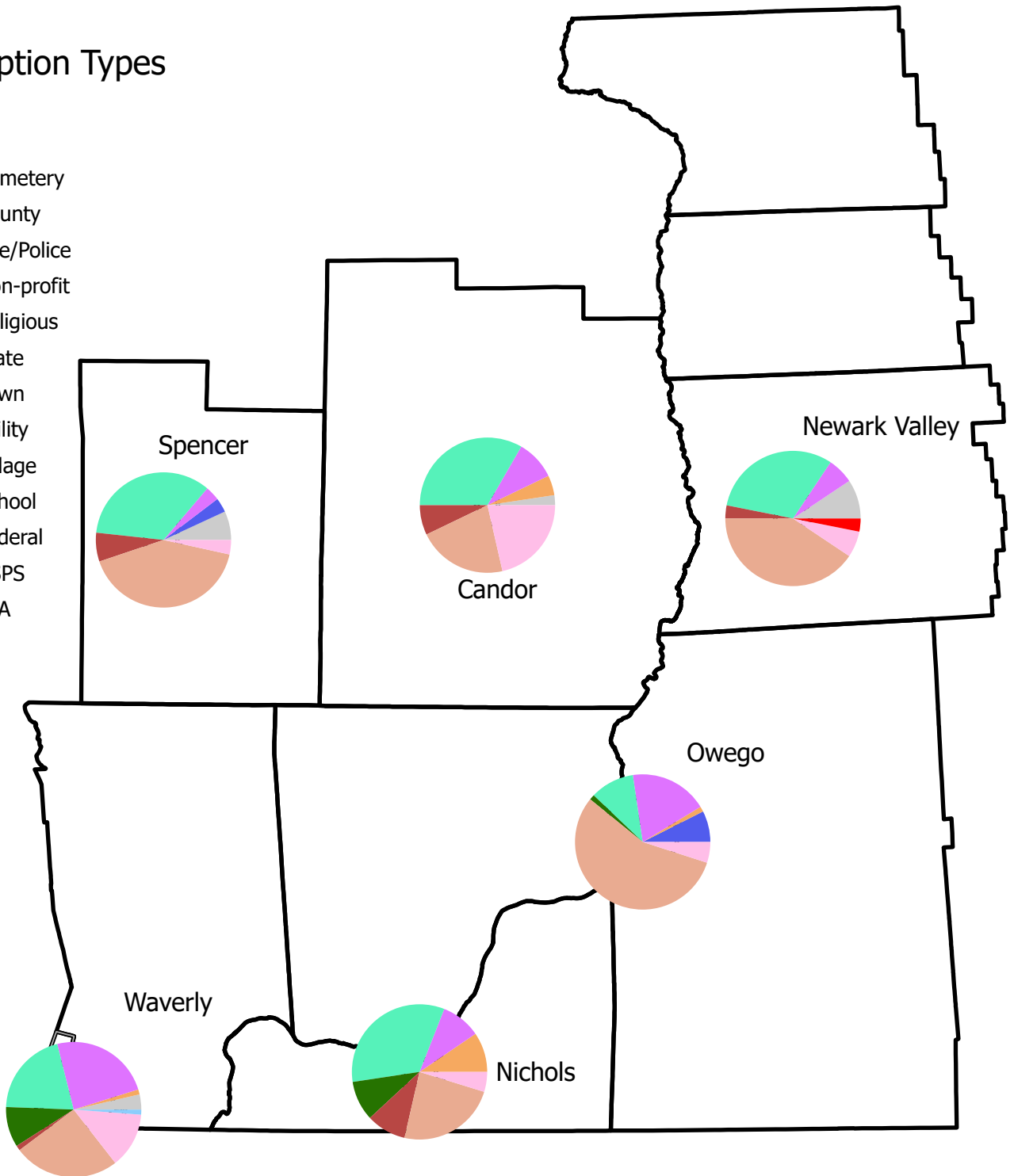


Village Exempt Parcel Counts

Exemption Types



-  Cemetery
-  County
-  Fire/Police
-  Non-profit
-  Religious
-  State
-  Town
-  Utility
-  Village
-  School
-  Federal
-  USPS
-  IDA

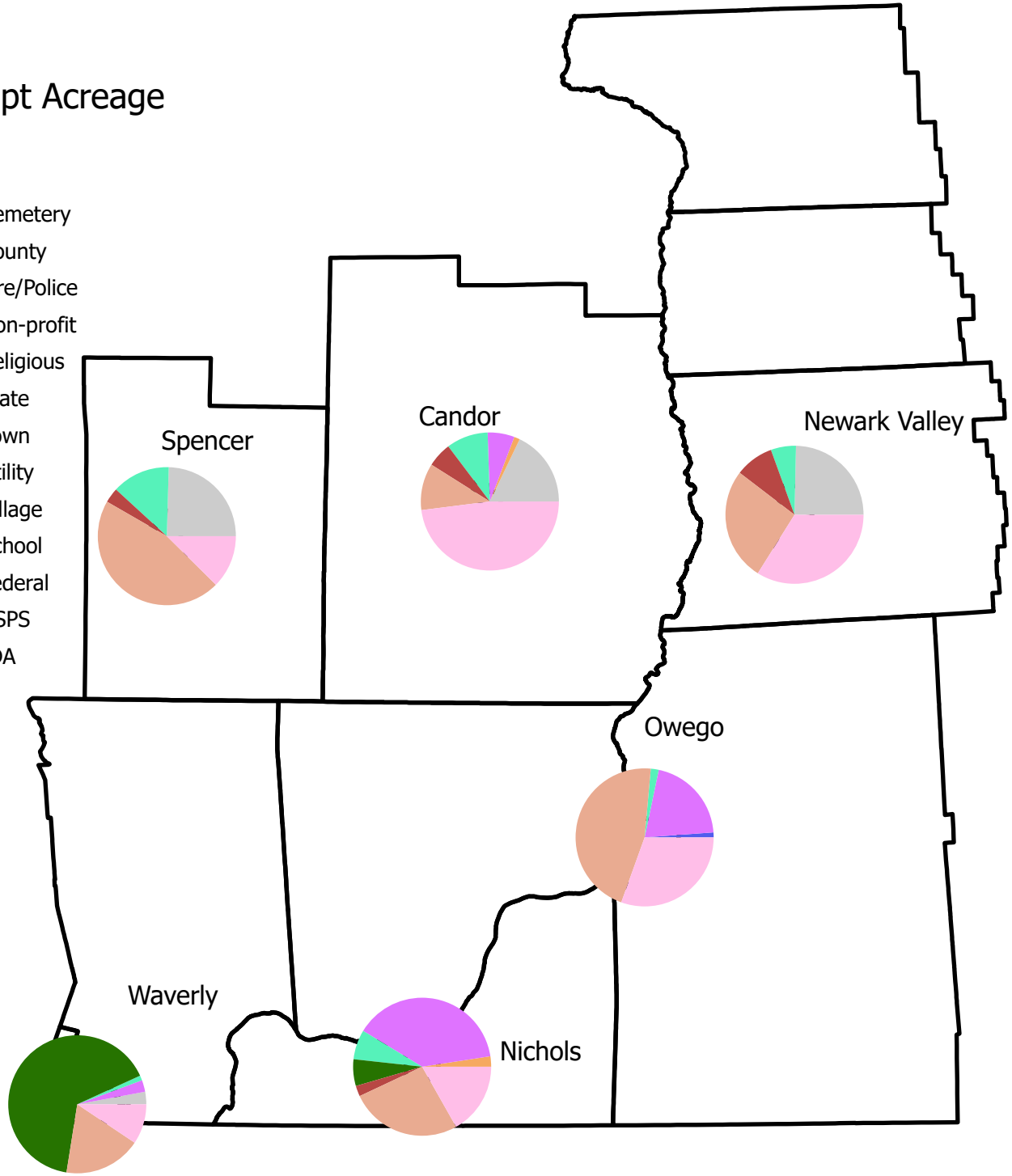


Village Exempt Acreage

Exempt Acreage



- Cemetery
- County
- Fire/Police
- Non-profit
- Religious
- State
- Town
- Utility
- Village
- School
- Federal
- USPS
- IDA





OWEGO APALACHIN
CENTRAL SCHOOL DISTRICT

Agenda Item Details

Meeting	Dec 07, 2020 - Regular School Board Meeting *** VIA ZOOM**
Category	9. District Business
Subject	9.1 Crestwood (CYNOG) Pilot
Type	Action
Recommended Action	RESOLVED, upon the recommendation of the Superintendent of Schools, to support the Option #2.

[CYNOG Crestwood.pdf \(470 KB\)](#)

Motion & Voting

RESOLVED, upon the recommendation of the Superintendent of Schools, to support the Option #2.

Motion by Jason Luke, second by Stacey Riegel.

Final Resolution: Motion Carries

Yea: Gene Cvik, Stacey Riegel, Dan Whippo, Jason Luke, Mike Phelps

TEAM TIOGA

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ECONOMIC DEVELOPMENT & PLANNING

INDUSTRIAL DEVELOPMENT AGENCY

LOCAL DEVELOPMENT CORPORATION

November 4, 2020

Mr. Corey Green
Owego Apalachin Central School District
5 Sheldon Guile Blvd.
Owego NY 13827

RE: Central New York Oil and Gas/Crestwood PILOT

Dear Corey,

Below you will find a historical summary provided by the Tioga County Industrial Development Agency (TCIDA) Board of Directors of the Central New York Oil and Gas (CNYOG) PILOT. This summary includes an explanation of the recent request to extend the original PILOT Agreement, associated implications, and possible solutions.

In early 2003, the Town of Owego performed a revaluation. CNYOG grieved the change in assessment on seven (7) properties in the Town of Owego; these properties are identified as Parcel I. Ultimately, the case was settled by the local Supreme Court and a *Stipulation of Settlement and Order* was issued (attached). The settlement calls for a PILOT, by way of the TCIDA, for an eleven year term. The PILOT agreement reduced the assessment on Parcel I from \$91,198,898 to \$82,900,000 to take effect January 2008 and expiring January 2019. Also identified in the settlement agreement, is Parcel II which includes two (2) tax maps; these assessments are to be determined and solely at the discretion of the Assessor of the Town and are currently at 100% under a standard PILOT.

In January 2019, the Owego Apalachin Central School District (OACSD) expressed concern over the transfer of the full assessed value of these seven (7) parcels from Roll Section 8 (tax-exempt) to Roll Section 1 (taxable) upon expiration of the PILOT Agreement. The addition of \$97,334,500 (current total assessed value on Parcels I and II) to the roll would cause significant complications for the OACSD as it relates to the State aid calculation. Upon this determination, a request was made to keep CNYOG in Roll Section 8, which was accomplished by the IDA extending the PILOT Agreement for one year.

In November of 2019 the IDA passed a resolution to extend the CNYOG PILOT on Parcels I and II that would encompass the 2020 School taxes and the 2020/2021 Town and County taxes (attached).

Upon further analysis, Tioga County and the Town of Owego determined that due to the sizable assessed value transfer, they too, would be negatively impacted if the PILOT is terminated. Similar to the calculations the OACSD faces related to State Aid, the tax cap calculation formula required by the State would result in issues with the Town and County tax cap going forward. Therefore, it is beneficial to all taxing jurisdictions for the PILOT to continue.

Based on this input from the Town, County and the OASCD, the TCIDA investigated two options:

Option #1: extend the existing PILOT

Option #2: require a new PILOT agreement

The TCIDA legal counsel has advised the best option to be #2. The new agreement would remove several properties from the PILOT, leaving only two (2) under Roll Section 8. The two (2) remaining properties would be: tax map # 161.00-1-25.1 (\$87,079,800 assessed value) and tax map # 107.00-1-8.12 (\$17,820,000 assessed value). Please remember that Crestwood (previously CNYOG) currently pays, and will continue to pay, 100% of taxes owed on the two (2) properties under the new agreement. The new PILOT agreement term is yet to be determined, but is anticipated at a five (5) year minimum.

The Tioga County Industrial Agency Board of Directors respectfully requests the Owego Apalachin Central School District Board of Education to provide a resolution in support of terminating the current PILOT and pursuing a new PILOT with Crestwood as outlined in option #2. I have provided a sample resolution for your reference.

If you have questions, please contact me at (607) 687-8254 or TinneyL@co.tioga.ny.us. If you prefer I attend a Board meeting to discuss this request in person, I am happy to do so.

Thank you.

Respectfully,

LeeAnn Tinney
TCIDA

CC: TCIDA Board of Directors
Enc.



**TOWN OF OWEGO
SUPERVISOR**

2354 State Route 434 • Apalachin, NY 13732

Office: 607-687-0123
Department No.: 7
Fax: 607-687-5191
TDD: 607-689-0104

Donald Castellucci, Jr.

December 9, 2020

Tioga County Industrial Development Agency
56 Main Street
Owego NY 13827

Dear IDA Board of Directors:

Please be advised that the Town of Owego supports the termination of the CNYOG, Payment in Lieu of Tax (PILOT) agreement and the concurrent establishment of a new Crestwood PILOT agreement under the specific terms discussed by the Town Board at its meeting on December 1, 2020. It was the consensus of the Town Board that it is in the best interest of the Town of Owego, the Owego Apalachin Central School District and the County, (as the relevant taxing jurisdictions), to establish a new PILOT agreement.

Please be further advised that the specific provisions of a new PILOT agreement will be incorporated into a resolution to be considered for adoption by the Town Board at its meeting on December 15, 2020.

Thank you.

Respectfully,

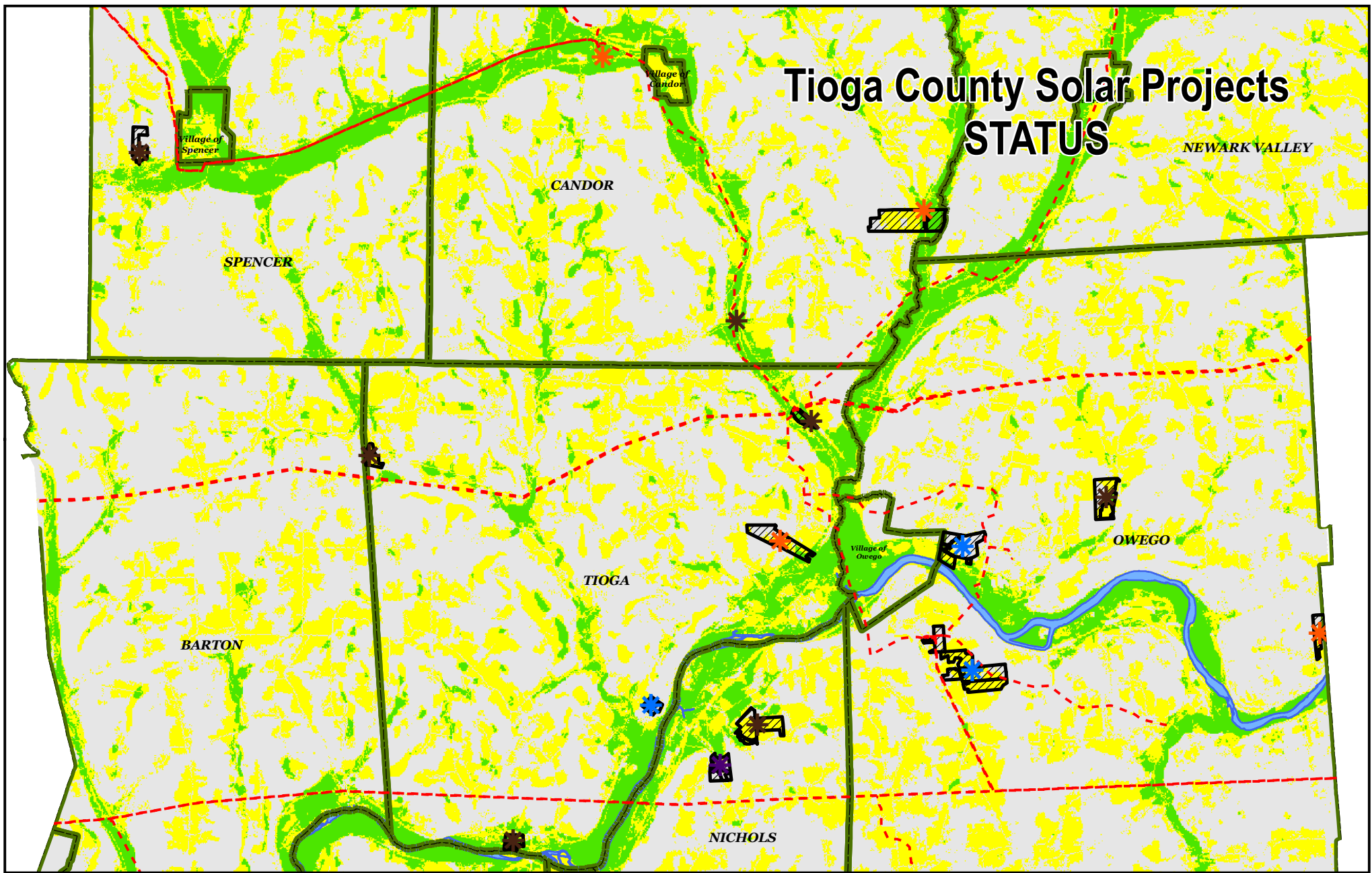
Donald Castellucci, Jr.
Town Supervisor

cc: Irene C. Graven, Attorney for the Town of Owego

Cheri Grenier, Assessor

Tioga County Solar Projects STATUS

NEWARK VALLEY



Date Source Tioga County makes no representations or warranties as to the accuracy or reliability of any information, resources or data provided, produced, compiled or otherwise utilized by any person, corporation or entity for any purpose whatsoever. The user or any third party may not rely upon the accuracy or reliability of such information, sources or data. Any user or third party assumes all risks and liability in the utilization of any information, resources or data.

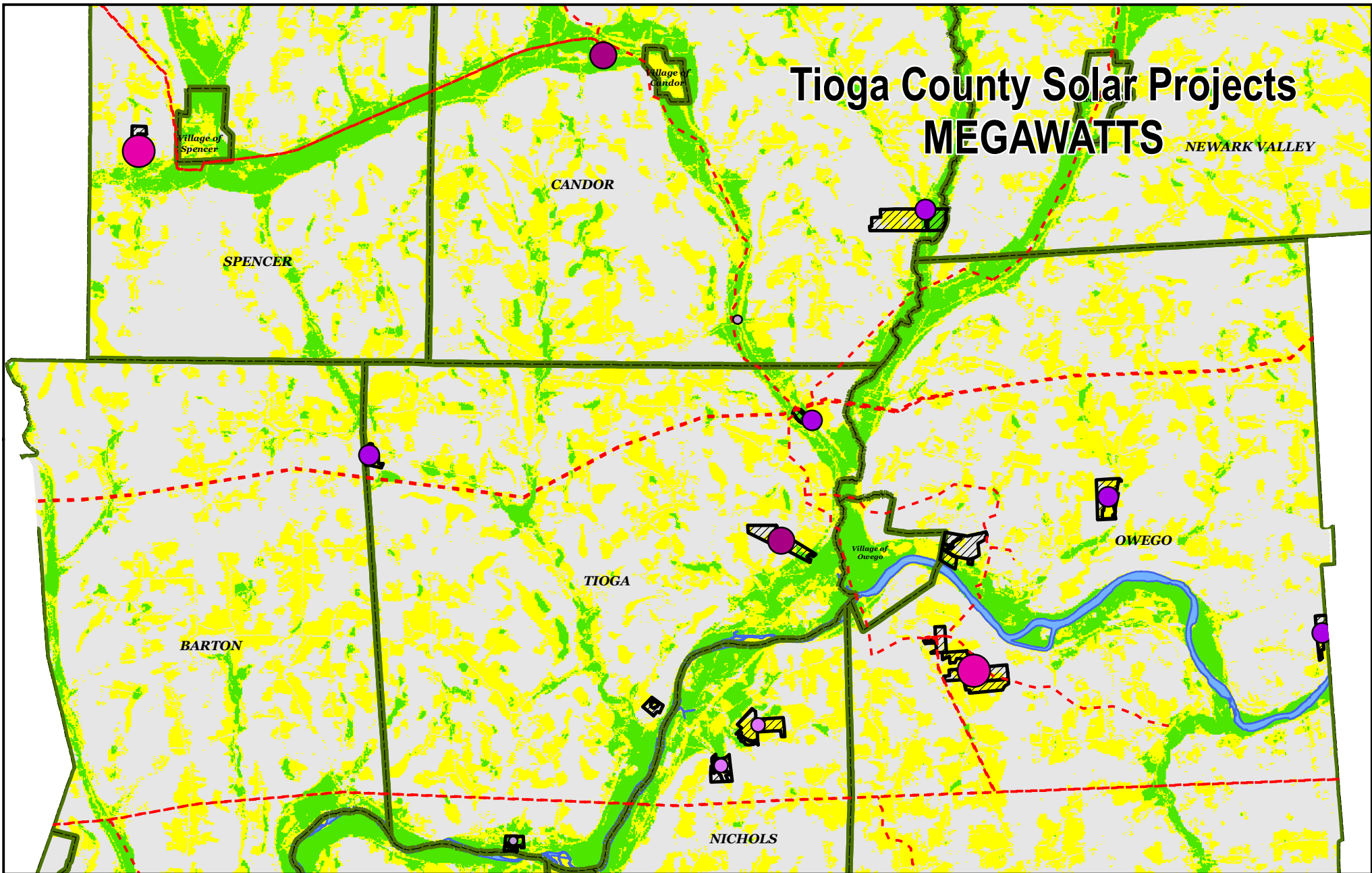
Project Status		LEGEND		Farmland Preservation Priority	
	Proposed		Approved-Construction 2021		Electric Transmission Lines
	In Construction		Solar Project Parcels		Low Priority
	Approved				Medium Priority
	Operational				High Priority



Tioga County Solar Projects

MEGAWATTS

NEWARK VALLEY



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TIOGA COUNTY GIS

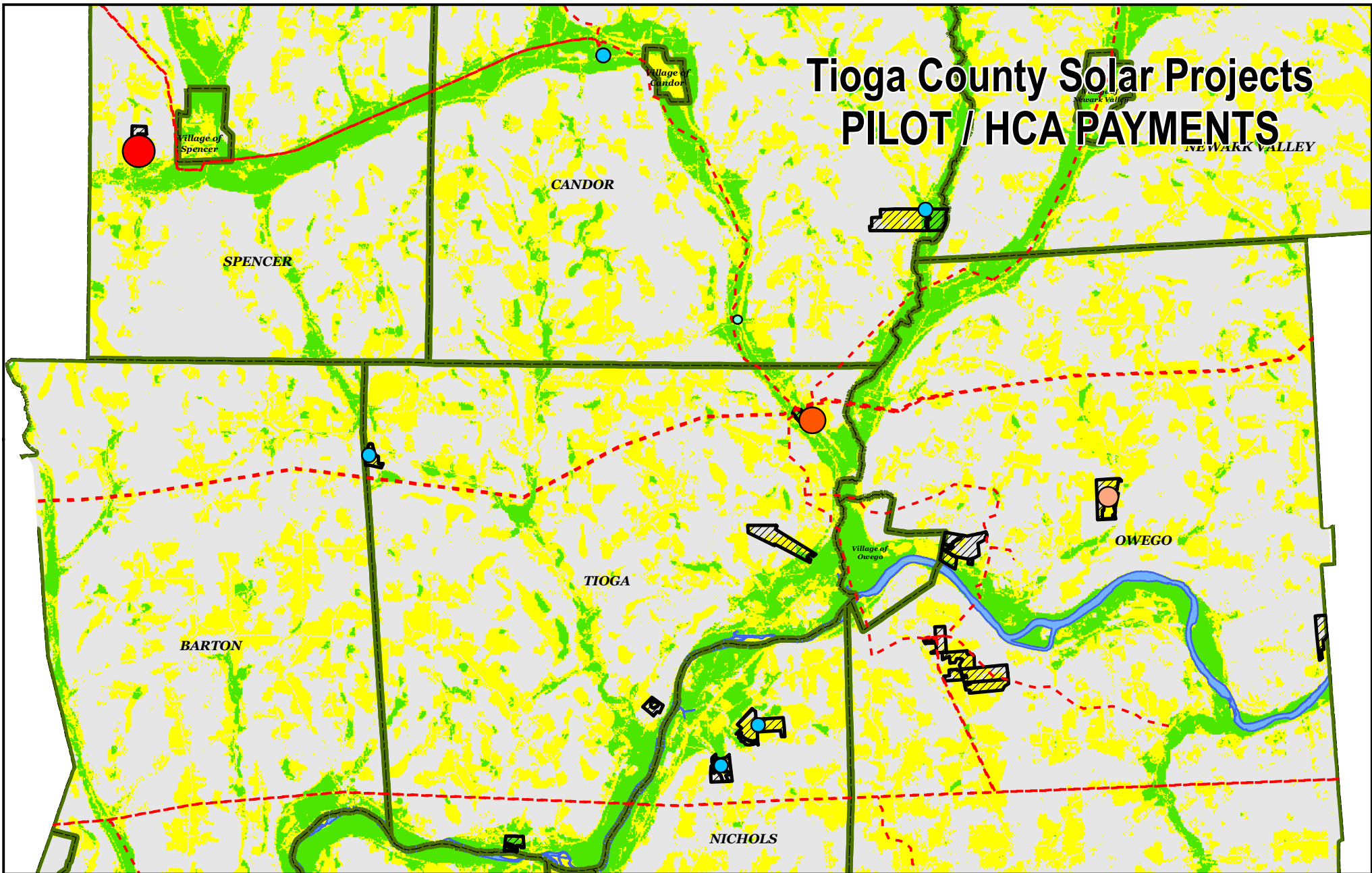
LEGEND

Megawatts	● 5.1 - 7	- - - Electric Transmission Lines	Farmland Preservation Priority
○ 0 - .25	● 7.1 - 20	▨ Solar Project Parcels	□ Low Priority
○ .25 - 4			□ Medium Priority
○ 4.1 - 5			□ High Priority



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Tioga County Solar Projects PILOT / HCA PAYMENTS



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PILOT / HCA \$

	\$22,568
	\$22,569 - \$270,472
	\$270,473 - \$345,869
	\$345,870 - \$605,270
	\$605,271 - \$3,634,900

LEGEND

	Electric Transmission Lines	Farmland Preservation Priority	
	Solar Project Parcels		Low Priority
			Medium Priority
			High Priority



TEAM TIOGA
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FULL MARKET VALUE by Village

CANDOR	
CATEGORY	FULL MARKET VALUE
Cemetery	\$142,062
Village	\$323,608
Town	\$567,526
County	
IDA	
State	
School	\$12,579,485
Fire_Police	\$238,660
Non Profit	\$305,979
Religious	\$2,159,691
USPS	
TOTAL EXEMPT	\$16,317,010
TOTAL FMV	\$38,947,835

NEWARK VALLEY	
CATEGORY	FULL MARKET VALUE
Cemetery	\$407,500
Village	\$1,233,971
Town	\$567,526
County	
IDA	\$147
State	
School	\$9,632,353
Fire_Police	
Non Profit	\$205,882
Religious	\$3,170,147
USPS	
TOTAL EXEMPT	\$15,217,526
TOTAL FMV	\$50,767,306

NICHOLS	
CATEGORY	FULL MARKET VALUE
Cemetery	
Village	\$65,865
Town	\$466,250
County	
IDA	
State	\$19,231
School	\$1,552,692
Fire_Police	\$251,346
Non Profit	\$80,769
Religious	\$1,078,558
USPS	
TOTAL EXEMPT	\$3,514,712
TOTAL FMV	\$25,010,989

OWEGO	
CATEGORY	FULL MARKET VALUE
Cemetery	\$20,690
Village	\$41,555,599
Town	\$254,621
County	\$9,401,103
IDA	
State	\$24,828
School	\$56,909,241
Fire_Police	\$216,552
Non Profit	\$21,772,000
Religious	\$14,469,517
USPS	\$925,103
TOTAL EXEMPT	\$145,549,254
TOTAL FMV	\$271,352,133

SPENCER	
CATEGORY	FULL MARKET VALUE
Cemetery	\$148,778
Village	\$615,111
Town	\$519,778
County	\$444
IDA	
State	
School	\$8,888,889
Fire_Police	
Non Profit	\$131,889
Religious	\$1,344,222
USPS	
TOTAL EXEMPT	\$11,649,111
TOTAL FMV	\$50,046,594

WAVERLY	
CATEGORY	FULL MARKET VALUE
Cemetery	\$197,596
Village	\$11,931,250
Town	\$326,202
County	
IDA	
State	\$5,616,346
School	\$41,562,500
Fire_Police	\$1,041,106
Non Profit	\$4,977,163
Religious	\$13,399,639
USPS	\$634,375
TOTAL EXEMPT	\$79,686,178
TOTAL FMV	\$203,144,843

PARCEL COUNT by Village

CANDOR	
CATEGORY	PARCEL COUNT
Cemetery	1
Village	9
Town	3
County	
IDA	
State	
School	9
Fire_Police	2
Non Profit	4
Religious	14
USPS	
TOTAL EXEMPT	42
TOTAL PARCELS	364

NEWARK VALLEY	
CATEGORY	PARCEL COUNT
Cemetery	3
Village	13
Town	1
County	
IDA	1
State	
School	2
Fire_Police	2
Non Profit	2
Religious	10
USPS	
TOTAL EXEMPT	32
TOTAL PARCELS	465

NICHOLS	
CATEGORY	PARCEL COUNT
Cemetery	
Village	5
Town	2
County	
IDA	
State	2
School	1
Fire_Police	2
Non Profit	2
Religious	7
USPS	
TOTAL EXEMPT	21
TOTAL PARCELS	246

OWEGO	
CATEGORY	PARCEL COUNT
Cemetery	1
Village	90
Town	1
County	12
IDA	
State	2
School	8
Fire_Police	2
Non Profit	30
Religious	17
USPS	1
TOTAL EXEMPT	164
TOTAL PARCELS	1,749

NICHOLS	
CATEGORY	PARCEL COUNT
Cemetery	2
Village	12
Town	2
County	1
IDA	
State	
School	1
Fire_Police	
Non Profit	1
Religious	10
USPS	
TOTAL EXEMPT	29
TOTAL PARCELS	384

WAVERLY	
CATEGORY	PARCEL COUNT
Cemetery	3
Village	21
Town	1
County	
IDA	
State	8
School	11
Fire_Police	1
Non Profit	20
Religious	17
USPS	1
TOTAL EXEMPT	83
TOTAL PARCELS	1,704

LAND ACREAGE by Village

CANDOR	
CATEGORY	ACREAGE
Cemetery	10.2
Village	6.2
Town	3.3
County	
IDA	
State	27.4
School	
Fire_Police	0.8
Non Profit	3.6
Religious	5.6
USPS	
TOTAL EXEMPT	57.1
TOTAL ACRES	254.3

NEWARK VALLEY	
CATEGORY	ACREAGE
Cemetery	30.5
Village	32.8
Town	11.2
County	
IDA	0.02
State	
School	42.0
Fire_Police	
Non Profit	1.1
Religious	7.3
USPS	
TOTAL EXEMPT	124.92
TOTAL ACRES	592.8

NICHOLS	
CATEGORY	ACREAGE
Cemetery	
Village	15.4
Town	1.5
County	
IDA	
State	3.7
School	9.9
Fire_Police	1.4
Non Profit	22.9
Religious	4.1
USPS	
TOTAL EXEMPT	58.9
TOTAL ACRES	300.0

OWEGO	
CATEGORY	ACREAGE
Cemetery	0.5
Village	182.5
Town	0.8
County	4.6
IDA	
State	0.3
School	121.2
Fire_Police	2.6
Non Profit	81.7
Religious	7.4
USPS	0.5
TOTAL EXEMPT	402.1
TOTAL ACRES	1,395.0

SPENCER	
CATEGORY	ACREAGE
Cemetery	13.1
Village	25.1
Town	1.9
County	0.04
IDA	
State	
School	6.4
Fire_Police	
Non Profit	0.4
Religious	7.5
USPS	
TOTAL EXEMPT	54.44
TOTAL ACRES	607.0

WAVERLY	
CATEGORY	ACREAGE
Cemetery	15.2
Village	94.6
Town	0.4
County	
IDA	
State	343.0
School	49.0
Fire_Police	3.2
Non Profit	14.3
Religious	6.0
USPS	0.6
TOTAL EXEMPT	526.3
TOTAL ACRES	1,874.7

DEVELOP NEW MIXED-INCOME HOUSING TO REVITALIZE A KEY DOWNTOWN NEIGHBORHOOD

DRI Funding Request and Total Project Cost

DRI Request:	\$220,000
Other Funding:	\$14,227,803
<i>Total Project Cost:</i>	<i>\$14,467,803</i>

Project Description

This project will create a total of 46 new units of mixed-income housing on vacant sites currently owned or under purchase contract by the Tioga County Property Development Corporation (TCPDC) in the Temple and Liberty Street neighborhood of Owego, New York. Ithaca Neighborhood Housing Services (INHS) would lead the project development, in partnership with Tioga Opportunities, Inc. (TOI).

Many properties in the Temple/Liberty Street neighborhood have suffered serious neglect due to absentee property owners. The Susquehanna River flood of 2011 also contributed significantly to the overall blight and deterioration of this area. Assessed values of this neighborhood's properties are extremely low, ranging from \$3,000 to \$52,500, and negatively affect the property values of the surrounding community. The Temple/Liberty Street neighborhood was identified as an area of particular concern during the DRI Public Planning Process with residents, local officials and stakeholders identifying housing revitalization and redevelopment as a high priority.

The TCPDC parcels for this project consist of seven contiguous parcels on the east side of Liberty Street between Fox and Temple Streets (Site A), and four contiguous parcels on the west side of Liberty Street between Fox and Temple Streets (Site B). A newly constructed 40 unit mixed-income, multifamily apartment building is proposed for Site A with one, two and three bedroom options for people of varying ages and incomes. In addition, several apartments will be set aside for a special needs population, such as individuals with developmental disabilities. The housing will include laundry facilities, a community gathering space, a playground, and leasing/maintenance office space. Six newly constructed mixed-income townhomes with two and three bedroom options are proposed for Site B. INHS is also investigating the feasibility of constructing a daycare center on Site A, as Tioga County has identified childcare as a strong community need.

The buildings will be designed to fit within the existing residential and commercial character of the neighborhood, which is characterized by older two story homes primarily in the Neoclassical and Farmhouse styles, and one story commercial buildings. The sites are within a High Density Mixed Use overlay zone that was implemented to encourage this type of development, and the project as conceived may be developed as of right.

Regulatory Requirements

SEQRA; Site plan approval; Floodplain development permits; Building permits

Property Owner/Sponsor

TCPDC currently owns the properties or has signed purchase agreements with the sellers. INHS is the Sponsor of the DRI Application.

Capacity/Project Partners

INHS is a 41-year old non-profit corporation with a mission of providing long-term, affordable housing to low- and moderate-income people. Headquartered in Ithaca, NY, the organization serves a seven-county region which includes Tioga County. INHS has extensive experience purchasing and redeveloping scattered site lots in neighborhoods and has been involved in the development of 1,140 units of rental housing. Real estate services include pre-development planning, grant writing, construction management, financing, property management and contract compliance. Currently, INHS has over 350 new rental units in predevelopment and two HCR financed developments under construction, including a 34 unit mixed-use project in Watkins Glen that was funded through the DRI program. INHS's role in the project will be to lead the development effort including identifying the design and construction team, identifying financing partners, preparing and submitting funding applications, overseeing the land-use approval process, financial modeling, and overseeing construction. INHS will be the developer, and owner/co-owner of the new mixed-income redevelopment project.

TOI is a 50-year old nonprofit corporation with a mission of creating partnerships that strengthen communities while empowering individuals and families to achieve independence and enrich their quality of life. Headquartered in Owego, NY, the organization serves Tioga County. TOI provides the community with safe and affordable rental housing, energy/weatherization and home repair, health and wellness services, and support in financial education and stability. TOI plans to be the owner/co-owner and manager of the new mixed-income redevelopment project.

DRI Strategies

The proposed project will advance the following DRI Strategies:

- Invest in streetscape improvements that will promote walkability and increase safety for people of all ages and abilities.
- Advance urban design principles that will make for a more attractive downtown.
- Address flood risk by encouraging sustainable improvements to village infrastructure, adding mitigation measures in existing buildings, and flood-proofing new construction in the downtown.
- Stimulate job growth by reactivating vacant or underutilized downtown properties.
- Provide high-quality housing at varying levels of affordability and type.
- Attract private developers to build new housing that meets market demand.

Anticipated Revitalization Benefits

The need for affordable rental housing in Owego is great – 48% of renters are housing cost burdened, paying more than 30% of their income towards housing. A 2018 Tioga County housing study also found a concerning trend that 40% of single-family housing units in Owego are renter occupied, leading to a lack of available homeownership units for families seeking first-time homeownership. Across the county, an immediate gap of 150-225 affordable rental units was identified and at least 300 will be needed within the next 5 years.

Over the last 15 years the need for affordable housing in Tioga County has been exacerbated by a series of devastating floods in 2006 and 2011, which significantly impacted housing quality for those most vulnerable. In fact, the majority (~85%) of the Village was developed in the 100-year floodplain and as a result any effort to revitalize the impacted neighborhoods and rebuild housing will need to meet FEMA guidelines. INHS is experienced with floodplain development, having successfully constructed the \$20M 210 Hancock project in Ithaca, NY in 2017.

The redevelopment of these sites in the Temple/Liberty Street area will transform and strengthen this residential neighborhood and contribute to the overall attractiveness and desirability of downtown Owego. The construction of new flood resistant affordable housing will attract a diverse population of residents and workers by providing them with varied housing opportunities with updated amenities. The project is investigating the feasibility of providing a community amenity - daycare services - that Tioga County has indicated is a strong need, in the process creating additional jobs. In addition, the project will transform vacant, blighted properties into a vibrant, mixed-use site. The project would serve to beautify the neighborhood, increase adjacent property values, and create more pedestrian activity, likely generating additional private investment in the vicinity. In addition, the purchase of properties from the Tioga County Property Development Corporation, a land bank, will allow them to reinvest in adjacent neighborhoods and homes, cleaning up blight and increasing property values not just in this one-block area, but throughout the Village of Owego. This targeted approach will create a sustainable model for neighborhood revitalization.

Public Support

Revitalization of this neighborhood with new housing received substantial public support throughout the DRI planning process, consistently generating high levels of endorsement at public workshops and meetings. Attendees were appreciative of the project’s ability to leverage other grant funding sources and improve the aesthetics of the neighborhood. The majority of public survey respondents supported this project (51%), with many commenters noting that it will improve the appearance of a blighted residential block. One noted, “I strongly support rehabilitation of and creation of housing for lower income.” Another commenter described this project as meeting a need in the community; “Attracting more people to the community by providing safe, affordable housing is key to the growth of the community.”

Jobs Created

This project will directly create at least two jobs, and will also provide construction jobs over a 12-16 month period.

Project Budget

INHS has estimated the project costs based on several projects that it has either completed or has under development including a DRI project under construction in Watkins Glen.

Project Uses	Project Cost
Acquisition	\$320,000
Design, Approvals, Fees	\$2,652,025
Construction Costs	\$10,660,000
Reserves and Working Capital	\$230,176
Contingency	\$605,601
TOTAL	\$14,467,803

Feasibility and Cost Justification

The developer, INHS, is a 40-year old not-for-profit organization with extensive experience financing complex multifamily, mixed-use rental projects that include housing, education, and community service/office space. In addition, INHS has experience developing multistory residential housing in a floodplain such as the one where the project site is located. The project sponsor anticipates other funding

sources to include low-income housing tax credits (LIHTC), a Housing Trust Fund Corp. (HTFC) mortgage, Community Investment Fund (CIF) funds, and a conventional bank mortgage. INHS has demonstrated experience in obtaining state and federal funding to complete a number of comparable projects and has already initiated discussions with NYS Homes and Community Renewal (NYS HCR) regarding additional funding sources for this project. However, such additional funding sources need to be finalized and secured.

Additional activity at this centrally located site would bring greater year-round investment to the Village, and would increase foot traffic downtown. By supporting this redevelopment, the program could increase property values, tax revenue to the Village, and the financial feasibility of additional private investment in the downtown.

The proposed use of DRI funds would be for site acquisition, building construction, site work and landscaping, interior fit-out, and design/legal fees. Funds would not be used to fund removable equipment.

Project Reporting

- Residential occupancy – tenants renting space in residential units.
- Tax revenue – increase in tax revenue at the site.

Timeframe for Implementation and Project Readiness

Total Timeframe: 30 months

Project Phase	Activity	Timeframe
Phase 1: Design and Approvals	Prepare schematic design	Month 1-3
	Site plan approval, application to NYS HCR and awards	Month 4-10
	Construction & equity loan closings	Month 11-14
Phase 2: Construction	Construction	Month 15-26
Phase 3: Lease-up	Lease-up complete	Month 26-30

ATTN: Mary Barthelme

Housing Trust Fund Corporation
38-40 State Street
Hampton Plaza, 4th Floor
Albany, NY 12207

RE: SHARS ID 20190297 and Expand the Ti-Ahwaga Performing Arts Center DRI Project

December 11, 2020

To Whom It May Concern:

The Tioga County Industrial Development Agency (TCIDA) is currently acting as the Local Program Administrator (LPA) for the Village of Owego Downtown Revitalization Initiative (DRI) Improve Key Facades and Support the Business Community Multi-site Program (SHARS ID 20190297).

It was the intention of the Ti-Ahwaga Community Players (TCP) to act as the LPA for the Village of Owego DRI project to Expand the Ti-Ahwaga Performing Arts Center, however, due to circumstances surrounding the COVID-19 crisis the TCP is unable to move forward with the full scope of their project as outlined in the Village of Owego DRI Plan. The TCP has detailed a new project scope and budget, as outlined in the attached letter. Total DRI funds originally to be invested in this project were \$290,000. TCP is proposing the use of \$70,000 in DRI funding to support their new project scope, and will be relinquishing the remaining funds (\$220,000) that were allocated to this project.

TCP has asked the TCIDA to consider incorporating the entirety of the funds (\$290,000) allocated to the Ti-Ahwaga Performing Arts Center Expansion project into the TCIDA's existing Grant Agreement with the Housing Trust Fund Corporation (SHARS ID 20190297), and has also asked that the TCIDA consider acting at the LPA for their newly proposed \$70,000 project, as outlined in the attached letter from the TCP.

The TCIDA is willing to serve in this capacity, and respectfully requests that the Housing Trust Fund Corporation (HTFC) incorporate the \$290,000 allocated to the Ti-Ahwaga Performing Arts Center project into the TCIDA's existing Grant Agreement with the Housing Trust Fund Corporation (SHARS ID 20190297). The TCIDA is willing to act as the LPA for the TCP project in the amount of \$70,000, as outlined in the attached letter. Additionally, TCIDA also submits the attached proposal from Ithaca Neighborhood Housing Services (INHS) for consideration for the remaining funds in the amount of \$220,000.

Thank you for your consideration of this proposal. For additional information, please feel free to reach out to Brittany Woodburn, Deputy Director for Tioga County Economic Development and Planning at 607-687-8256 or woodburnb@co.tioga.ny.us.

Sincerely,

Martha Sauerbrey, Secretary
Tioga County Industrial Development Agency

Statement of Qualifications

OVERVIEW

Ithaca Neighborhood Housing Services (INHS) is a 501(c)(3) corporation established in 1976 to revitalize Ithaca's downtown neighborhoods and promote affordable housing. Over the past four decades, INHS has significantly expanded its services, service area and resources, including in 2015 affiliating with Better Housing for Tompkins County (BHTC), another affordable housing not-for-profit. In 2018, the Board of Directors for both 501(c)(3) organizations voted to be publicly known as INHS. Today, INHS is a \$42.4 million affordable housing provider that operates a comprehensive array of housing programs in seven counties in the Central New York and Finger Lakes regions, including Cayuga, Chemung, Cortland, Schuyler, Seneca, Tioga and Tompkins Counties.

PROFESSIONAL AFFILIATIONS AND CERTIFICATIONS

- Certified by the U.S. Department of Treasury as a Community Development Financial Institution (CDFI).
- Licensed by the New York State Department of Financial Services as an Exempt Mortgage Banker.
- Certified as both a Community Housing Development Organization (CHDO) and a Community Based Development Organization (CBDO).
- Certified by the U.S. Department of Housing and Urban Development as a HUD Counseling Agency.
- Chartered by NeighborWorks America as a NeighborWorks Organization.
- Certified by the Neighborhood Reinvestment Corporation as a Full Cycle Lender.
- Certified by the U.S. Environmental Protection Agency as an Energy Star builder.

PROGRAMS AND SERVICES

Loan Programs

- **Total Lending:** INHS has closed over \$61 million in loans. These loans have leveraged over \$110 million in conventional financing. Its delinquency and default rates are well below the national averages for market rate prime loans.
- **Purchase Assistance to First Time Homebuyers:** Second mortgage financing in tandem with first mortgages from banks, credit unions and SONYMA. Products include amortizing, deferred and forgivable loans. INHS has assisted over 1,170 first time homebuyers with loans that total over \$28 million. These funds have leveraged nearly \$110 million in conventional first mortgage loans and homebuyer equity.
- **Home Improvement Loans to Existing Homeowners:** INHS provides low cost financing and technical assistance with construction to address a broad range of structural, energy conservation, and capital needs for existing homeowners. INHS has assisted over 1,400 clients for over \$27 million.
- **Rental Housing Development:** INHS has provided loans to private and non-profit developers to finance affordable rental housing. Loans totaling over \$17 million have helped to produce 740 new rental units.

Education and Counseling Programs

- **Homebuyer Education:** INHS provides nationally certified classroom training and one-to-one counseling to position renters to become successful homebuyers. Pre-purchase classes are offered in both eight-hour group and online versions. INHS has provided education and one-on-one counseling to nearly 5,800 households.

Real Estate Development

- **Overall:** INHS has been the sole developer of, or collaborated with, non-profit and for-profit developers to create over 1,343 units of housing for over \$188 million.
- **Rental Housing Development:** INHS has been the sole developer of, or collaborated with, non-profit and for-profit developers to create 1,140 units of rental housing. INHS services include pre-development planning, grant writing, construction management, financing, property management and contract compliance. Currently, INHS has over 350 new rental units in predevelopment.
- **For Sale Housing Development:** INHS develops new one- and two-family detached homes and multi-unit attached homes as permanently affordable housing under a Community Land Trust model. INHS has completed 50 units of Energy Star or LEED-certified homes. INHS has three units under construction and 25 new units in predevelopment. All homes developed by INHS are sold to low-income first time homebuyers and placed into its Community Housing Trust (CHT).
- **Community Housing Trust:** INHS places the for-sale housing it creates into a trust to provide homes that remain permanently affordable to future homebuyers. INHS uses grants and subsidies to sell the homes well below market prices while retaining ownership of the land. Buyers of CHT homes lease the land from INHS. Buyers agree to sell their homes only to other low- to moderate-income buyers and to return excess gains on sale to the trust. There are currently 58 homes in the trust.
- **House Recycling:** INHS targets eyesore properties for acquisition, rehabilitation and sale as part of its neighborhood revitalization strategy. INHS has completed 165 House Recycling units, primarily in the City of Ithaca, and has three new units in predevelopment. All of these homes have been sold to low-income first time homebuyers. INHS also provides low-cost financing to enhance affordability.
- **Commercial Development and Management:** INHS has developed and managed 10 commercial units in three housing developments. Commercial space includes early Head Start facilities, non-profit office space and for-profit retail.

Rental Housing Management

- **Full Service Property Management:** INHS owns or manages 464 units of residential, community and commercial spaces in 66 buildings in 32 locations. All rentals serve a low and moderate-income market. Many INHS buildings were previously dilapidated and were extensively renovated by INHS as part of a neighborhood revitalization strategy. The property management staff is LIHTC certified.

Repairs Program

- **Elderly and Disabled Homeowners:** INHS provides emergency or small repairs that enable at risk homeowners to safely remain in their homes. INHS has provided over 8,000 household repairs.

FINANCIAL STRENGTH

INHS operates a complex, multi-faceted business that includes four lines of business and nearly 30 affiliated companies and corporations, both for-profit and not-for-profit.

INHS is a strong and stable organization that has \$43 million in total assets and \$36 million in net assets. INHS has over \$14 million dedicated solely to lending, including unrestricted funds that may be used for a wide variety of purposes and in a large geographic area.

INHS regularly receives unqualified opinions from their auditors, and have successfully managed tens of millions of dollars of contracts from state and federal housing agencies, non-profit corporations and private entities.



INHS Real Estate Development Portfolio

INHS
115 W. Clinton Street
Ithaca, NY 14850
www.ithacanhs.org

Director of Real Estate Development
Joe Bowes
(607) 277-4500 ext. 204





MIXED-USE COMMERCIAL/RESIDENTIAL



210 Hancock

Address: 210 Hancock, Ithaca, NY 14850

Completion Date: March 2018

Total Budget: \$25,000,000



210 Hancock is an anchor in-fill construction project that transformed an entire city block from two vacant buildings surrounded by a surface parking lot into a vibrant mixed-use community that includes mixed-income rental housing, moderate income for-purchase housing, an Early Head Start childcare facility, and not-for-profit commercial space.



The project involved the demolition of the existing buildings and parking lot; construction of a 65,000 sq. ft. mixed use building and twelve townhouses; and the reconstruction of two city streets to eliminate automobile traffic and create a landscaped pedestrian/bicycle path and playground, connecting the site to the larger pedestrian/bicycle network throughout the City. Solar photovoltaics that off-set common space electrical usage, an Electric Vehicle Charging Station that is open to the public, and a CarShare vehicle location are included in the project as well.



The rental housing at 210 Hancock ranges from apartments that are affordable to households earning 30% of the Area Median Income (\$24,600 for a family of four), up to 100% of AMI (\$75,600 for a family of four). The seven for-sale town homes are restricted for purchase by moderate-income households earning no more than 80% of AMI, or \$60,500 for a family of four. The rental housing was developed using the federal and state Low Income Housing Tax Credit programs, leveraging private investment in the project at a rate of six dollars for every dollar of public subsidy.



URBAN MULTI-FAMILY INFILL



Breckenridge Place

Address: 100 W. Seneca St. Ithaca, NY 14850

Completion date: December 2014

Total budget: \$15,000,000

Breckenridge Place is a LEED Platinum-certified mixed income apartment community located in the heart of downtown Ithaca. This fifty unit, 55,000 square foot building provides affordable housing in a highly walkable location to individuals and small families with income ranging from 50% to 90% of the Area Median Income. Though not age-restricted, the majority of the apartments at Breckenridge Place house seniors.



Stone Quarry Apartments

Address: 400 Spencer Rd, Ithaca, NY

Completion date: August 2015

Total budget: \$10,000,000

Stone Quarry Apartments is a LEED Platinum-certified family development, providing 35 units of affordable housing, with over half of the units designed to accommodate large families. Income levels served range from less than 30% of the Area Median Income to 90% of the Area Median. Two, two-story townhouse buildings and one three-story elevator building are arranged around internal green space, a play area, and off-street parking, and the network of internal sidewalks connects to a new public sidewalk that was installed along Spencer Road as part of this development.



ADAPTIVE REUSE & PRESERVATION



Henry St. John School

Address: 301 S. Geneva St., Ithaca, NY

Completion date: Acquired and renovated in 1983

The former Henry St. John School was acquired by Ithaca Neighborhood Housing Services in the early 1980s, when it was decommissioned by the Board of Education. Renovated as a mixed-use amenity for the community, the building provides twelve apartments ranging in size from one-bedroom to three-bedrooms, a gymnasium that is available for public use, and office space that is rented primarily to non-profit tenants. The building is located in a local historic district and is eligible for the National Register of Historic Places. The large green space and playground adjacent to the building are owned by INHS but open for public use.



Scattered Site Rental Preservation Project

Address: Southside, West Hill and Northside Neighborhoods

Projected completion date: December 2018

Budget: \$30,000,000

Over the past 30 years, INHS has acquired or constructed 98 units within the City of Ithaca, among the largest affordable housing portfolios in the City. Currently, the units are undergoing major renovations, including new roofs, heating systems, siding, flooring, kitchens, baths, landscaping, and energy efficiency upgrades. Approximately 80% of the families living in these apartments earn less than 60% of the Area Median Income (AMI), while eight units are market rate.

The INHS Service Area



Weedsport



Seneca Falls

SENECA

Auburn

Aurora

CAYUGA



Moravia

Ovid



Homer



Cortland

CORTLAND

Groton

Trumansburg

TOMPKINS

Dryden

SCHUYLER



Watkins Glen

Montour Falls



Ithaca



Marathon

Horseheads

CHEMUNG

Elmira



TIOGA



Owego

Waverly



West Branch
Owego Creek

Flemingville United
Methodist Church

28 Depot Pl,
Owego, NY 13827

Route 38

38

607

38

Old Rt 38

38

607

607

38

38

38

38

Lord Rd

Cranes Nest Rd

Cranes Nest Rd

Lord Rd

Park Settlement Rd

Park Settlement Rd

Park Settlement Rd

ek Rd

W Creek Rd

Blodgett Rd

Blodgett Rd

Blodgett Rd

Blodgett Rd

Winchell Rd

Pultz Hill Rd

Frank Hyde Rd

Hyde Rd

Frank Hyde Rd

96.00-1-32.1

96.00-1-32.2

(1 of 2)

Parcel Boundaries: 106.00-3-21

Section-Block-Lot	106.00-3-21
SWIS Code	493089
TAXID	1060000003021000000
Owner	Tioga Co IDA
Owner2	
Owner Street Address	56 Main St
Owner City & State	Owego NY
Owner Zip	13827
Mailing Address Line 1	
Mailing Address Line 2	
Zoom to	

...

**R. J. Corman Railroad Group, LLC
101 RJ Corman Drive
Nicholasville, KY 40356**

December 14th, 2020

Tioga County Industrial Development Agency
56 Main Street
Owego, NY 13827

RE: US Bank National Association – Consent and Estoppel

Dear Sir or Madam:

On April 3rd, 2020, R. J. Corman Railroad Group, LLC (and its affiliated and subsidiary entities) (“RJ Corman”) entered into a senior secured credit facility with U.S. Bank National Association (the “Lender”). In order to secure our obligations under such credit facility, we have granted a security interest in all of our presently owned or hereafter acquired personal property, including any such property which may be temporarily located on your property pursuant to the lease agreement attached hereto.

On December 4th, 2020, Owego & Harford Railway, Inc. assigned its interest in the Operating Agreement to R.J. Corman Railroad Company/Owego & Harford Line, Inc.

The Lender has requested that you execute the attached Consent and Estoppel and return a copy back to us at your earliest convenience at the address listed below. In order to expedite the process, you may also send a copy to the email provided below:

R. J. Corman Railroad Group, LLC
c/o William Booher, Corporate Counsel
101 RJ Corman Drive
Nicholasville, KY 40356
William.booher@rjcorman.com

We greatly appreciate your quick attention to this matter. Should you have any questions or concerns, please contact me at Korey.colyer@rjcorman.com or at (859) 881-2570.

Sincerely,



Korey Colyer
VP Finance & Strategy

CONSENT AND ESTOPPEL

THIS CONSENT AND ESTOPPEL (this “**Consent and Estoppel**”), is dated as of December 4th, 2020, is entered into by and among Tioga County Industrial Development Agency, a New York not for profit corporation, (“**Owner**”), having an address at 56 Main Street, Owego, NY 13827; R.J. Corman Railroad Company/Owego & Harford Line, Inc., a New York corporation (successor by assignment from Owego & Harford Railway, Inc.) (“**Customer**”), with an address at 101 RJ Corman Drive, Nicholasville, KY 40356; and U.S. Bank National Association, a national banking association, in its capacity as Administrative Agent (“**Administrative Agent**”), having an address at 9900 W. 87th Street, Overland Park, KS 66212.

RECITALS

A. Pursuant to that certain Operating Agreement between Owner and Customer (as amended, modified or supplemented from time to time, collectively, the “**Agreement**”), Owner provided to Customer certain rights with respect to the real property, railroad line, rail facilities, or haulage corridor, as applicable, that is the subject of the Agreement and described on Exhibit A attached hereto (the “**Premises**”).

B. Pursuant to a Credit Agreement dated as of April 3, 2020 (as amended, modified, restated or replaced, the “**Credit Agreement**”), among Customer, Administrative Agent, U.S. Bank National Association as LC Issuer, and the Lenders party thereto (the “**Lenders**”), and certain other Loan Documents (as defined in the Credit Agreement, the “**Loan Documents**”) the Lenders have agreed to make certain Loans (as defined therein, the “**Loans**”).

C. The indebtedness and obligations of Customer under the Credit Agreement and the other Loan Documents are secured by certain property and assets owned by Customer, including, without limitation, Customer’s rights, title and interest in and to the Agreement.

D. As an inducement to Lenders to extend credit to Customer pursuant to the Credit Agreement, Owner executes and delivers this Consent and Estoppel to Administrative Agent. Any terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

AGREEMENT

To parties agree as follows:

1. Owner’s Representations and Warranties. Owner represents and warrants to Administrative Agent and Customer the following:

(a) Agreement. A true, correct and complete copy of the Agreement is attached hereto as Exhibit B, and the Agreement has not been amended except as expressly set forth in Exhibit B. The Agreement is in full force and effect and constitutes the entire agreement between Owner and Customer with respect to the Premises. The Agreement constitutes the legal, valid and-binding obligation of Owner, enforceable against Owner in accordance with its terms.

(b) Fee Ownership. Owner is the record owner of the fee interest in the Premises, subject to the Agreement.

(c) Operating Fees. The operating fees payable under the Agreement currently varies depending on gross revenue derived from operations.

(d) Term. The current term of the Agreement commenced on January 1, 2006 and expires on December 31, 2034.

(e) Defaults; Offsets. Neither Owner nor, to the knowledge of Owner, Customer is in default under the Agreement, nor does Owner or Customer have any knowledge of the existence of any event which, with the giving of notice, the passage of time, or both, would constitute a default by Owner or Customer under the Agreement. All monetary charges and other obligations due under the Agreement to date have been fully and currently paid. No controversy presently exists between Owner and Customer, including any litigation or arbitration, with respect to the Agreement or the terms thereof.

2. Agreements. Notwithstanding anything in the Agreement to the contrary, Owner and Customer hereby agree as follows:

(a) Consent to Collateral Assignment. Owner hereby consents to the grant by Customer of a collateral assignment to Administrative Agent of Customer's interest in the Premises, the Agreement and the rights described therein. This Consent and Estoppel shall serve as written consent of the Owner pursuant to Section 6 of the Agreement.

(b) Right to Perform for Customer; Right to Cure. In addition to the rights, if any, provided in the Agreement, Owner acknowledges and agrees that Administrative Agent shall have the right to perform or comply with any term, covenant, condition or agreement to be performed by Customer under the Agreement and Owner shall accept such performance or compliance by Administrative Agent with the same force and effect as if furnished by Customer. In the event of a monetary default by Customer under the Agreement and prior to any termination of the Agreement by Owner, Owner acknowledges and agrees that Owner shall provide Administrative Agent with notice of the same and Administrative Agent shall have the right (but not the obligation) to remedy such monetary default by paying any past due amounts under the Agreement within the same period of time as Customer has under the Agreement, plus an additional thirty (30) days. In the event of a non-monetary default by Customer hereunder and prior to any termination of the Agreement by Owner, Owner acknowledges and agrees that Owner shall provide Administrative Agent with notice of the same and Administrative Agent shall have the right (but not the obligation) to remedy or cause to be remedied any such non-monetary default within the same period of time as Customer has under the Agreement, plus such additional time as Administrative Agent reasonably requires to remedy or cause to be remedied such non-monetary default. Owner agrees that Owner shall not terminate the Agreement in connection with any such non-monetary default which Administrative Agent has elected to remedy or cause to be remedied so long as Administrative Agent attempts to remedy such default with diligence toward completion.

(c) Amendments to Agreement. Neither Owner nor Customer will materially amend, modify, terminate, cancel or surrender the Agreement without Administrative Agent's prior written consent, and unless such prior written consent is obtained, any such action shall be null and void and of no force or effect. Notwithstanding the foregoing, Owner may terminate the Agreement without Administrative Agent's consent for non-payment of monetary amounts due and owing by Customer so long as Administrative Agent has received notice of such termination and failed to cure pursuant to Section 2(b) hereof.

(d) Delivery of Notices. Owner will simultaneously deliver to Administrative Agent copies of all notices delivered to Customer pursuant to the Agreement, including, without limitation, any notice of any default by Customer and any notice of termination of the Agreement provided or received by Owner under the Agreement. In addition, Owner shall promptly notify

Administrative Agent in writing of any failure by Customer to perform any of Customer's obligations under the Agreement. No notice, statement, information, modification, termination or communication given by Owner to Customer shall be binding or affect Administrative Agent unless a copy of the same shall have simultaneously been delivered to Administrative Agent. All notices to Administrative Agent shall be addressed to Administrative Agent at the address set forth on the first page hereof or such other address as Administrative Agent shall provide in writing to the other parties hereto.

(e) Permitted Transfers. Each of: (i) The purchaser of the rights, title and interest of Customer under the Agreement pursuant to any proceedings for the foreclosure of the Loan Documents (including, without limitation, power of sale), (ii) any assignee or transferee of the rights, title and interest of Customer under the Agreement created under any instrument of assignment or transfer in lieu of the foreclosure (whether to Administrative Agent or any third party), and (iii) any person to whom Administrative Agent assigns or transfers the rights, title and interest of Customer under the Agreement (if Administrative Agent is the purchaser at any foreclosure or transfer in lieu of foreclosure) (each a "**Permitted Transferee**") shall be deemed to be a permitted purchaser, assignee or transferee under the Agreement and neither Administrative Agent, Customer nor any Permitted Transferee shall be required to obtain Owner's consent to any such sale, assignment or transfer (each a "**Permitted Transfer**"). In acquiring the rights, title and interest of Customer under the Agreement, the Permitted Transferee shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of Customer to be performed under the Agreement from and after the date of such Permitted Transfer (but not for any obligations or liabilities accruing prior to such date), and the Permitted Transferee shall be liable for the obligations and liabilities of the Customer under the Agreement only for so long as the Permitted Transferee remains the owner of the rights, title and interest of Customer under the Agreement.

3. Waiver. Administrative Agent may, without affecting the validity of this Consent and Estoppel, extend the time for payment of the Loans or alter the terms and conditions of any agreement between Customer and Administrative Agent, including, but not limited to, the Loan Documents, without the consent of, or notice to, Owner and without in any manner impairing or otherwise affecting Administrative Agent's rights under this Consent and Estoppel.

4. Miscellaneous. This Consent and Estoppel shall in all respects be governed by, and construed and enforced in accordance with, the laws of the state in which the Premises is located (without giving effect to such state's principles of conflicts of law). This Consent and Estoppel shall be binding upon and shall inure to the benefit of Owner, Administrative Agent and Customer and each of their respective successors and assigns. This Consent and Estoppel may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same original. At Administrative Agent's option, this Consent and Estoppel (or a memorandum hereof) shall be recorded in the public land records of the jurisdiction in which the Premises is located. The rights of Administrative Agent hereunder are in addition to the rights of Administrative Agent granted in the Loan Documents and/or the Agreement and shall not be in derogation thereof. All agreements and covenants contained herein are severable, and if any one of them is held to be invalid, then this Consent and Estoppel shall be interpreted as if such invalid provisions was not contained herein. To the extent terms in this Consent and Estoppel conflict with the terms of the Agreement, the terms of this Consent and Estoppel shall control. No consent or approval of any third party is required in order for Owner to deliver this Consent and Estoppel and to perform fully its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Consent and Estoppel to be duly executed and delivered as of the day and year first written above.

OWNER:

Tioga County Industrial Development Agency

By: _____
Name: _____
Title: _____

CUSTOMER:

**R.J. CORMAN RAILROAD COMPANY/OWEGO
& HARFORD LINE, INC., a New York corporation**

By: _____
Name: Raymond Goss
Title: President

ADMINISTRATIVE AGENT:

By: _____
Name: _____
Title: _____

Exhibit A
Description of Premises

[SEE EXHIBIT B]

Exhibit B

[Copy of Agreement and all amendments]

OPERATING AGREEMENT

AGREEMENT

THIS AGREEMENT effective the 13th day of February, 2013 by and between the Tioga County Industrial Development Agency (TCIDA), and the Owego & Harford Railway, Inc. (OHRY), a Pennsylvania corporation, authorized to do business in the State of New York.

WITNESSETH

WHEREAS, TCIDA is the owner of a certain rail line extending from the Village of Owego to the Town of Harford; and

WHEREAS, under General Municipal Law section 854, an industrial development agency has the authority to own a rail line but must contract the operation thereof which section provides that the primary purpose of the railroad facility not be for passenger service; and

WHEREAS, TCIDA and OHRY have engaged in a previous contract for rail service dated January 1, 2006 for a term of ten (10) years with renewal periods; and

WHEREAS, the OHRY has stated that it is unable to invest further capital into the rail line and its machinery without some commitment upon the part of the TCIDA to extend the term past its current expiration period of December 31, 2020 and

WHEREAS, TCIDA is willing to extend the term provided that OHRY agrees to the terms and conditions contained herein; and

WHEREAS, TCIDA and OHRY have agreed to the terms set forth herein.

NOW THEREFORE, the parties intending to be legally bound agree as follows:

AGREEMENT

Section 1. Use of the Line of Railroad. TCIDA hereby agrees to provide OHRY access to and use of the line of railroad which shall include, but not be limited to

property of every kind and description, real, personal and mixed, including the right-of-way roadbed, tracks, track materials, signals and other facilities, including use of the depot building located in the Village of Owego, and appurtenances located in the Counties of Tioga and Cortland in the State of New York. OHRY shall have the right to use the line of railroad for exclusive railroad service thereon during the term of this Agreement, or any extension, or renewal thereof, subject to the terms and conditions hereinafter contained.

Section 2. Operating Fees and Other Payments.

(a) Operating Fees. Commencing on the effective date of this agreement OHRY shall pay TCIDA on gross revenues, including but not limited to freight rail service, storage services, rentals, and the like and excluding only revenues from passenger/tourism services, the following:

(1) For years 2013 through December 31, 2015, OHRY shall pay to the TCIDA:

- ◆ Ten (10%) percent on all gross revenues up to of \$800,000.00
- ◆ Five (5%) percent on all gross revenues in excess of \$800,000.00

(2) For years 2016 through December 31, 2020, OHRY shall pay to the TCIDA:

- ◆ Ten (10%) percent on all gross revenues up to of \$1,000,000.00
- ◆ Five (5%) percent on all gross revenues in excess of \$1,000,000.00

(3) For years 2021 through December 31, 2024, OHRY shall pay to the TCIDA:

- ◆ Ten (10%) percent on all gross revenues up to \$1,200,000.00
- ◆ Five (5%) percent on all gross revenues in excess of \$1,200,000.00

(4) For years 2025 through December 31, 2028, OHRY shall pay to the TCIDA:

- ◆ Ten (10%) percent on all gross revenues up to an amount to be agreed upon by the parties, but in no event less than \$1,200,000.00
- ◆ Five (5%) percent on all gross revenues in excess of an amount to be agreed upon by the parties, but in no event less than \$1,200,000.00

(b) Real Property Taxes and Special Assessments. OHRV shall pay 100% of the amount of any special assessments or taxes levied upon TCIDA for the rail line and buildings or other such structures used by or in connection with this Agreement by OHRV.

(c) Property Insurance. OHRV shall pay 100% of the amount of any property and liability insurance maintained for buildings or other such structures, other than rail lines, bridges and related rail items such as spurs, gates, et al., used by or in connection with this Agreement by OHRV.

(d) Building Maintenance and Repair. OHRV shall pay all maintenance, repair and upkeep expenses of all buildings or other such structures used by or in connection with the Agreement by OHRV.

(e) Subcontracts. If OHRV subcontracts any of the freight, the amount paid to OHRV shall be included in its gross revenue calculations. Any subcontractor shall agree to abide by all of the terms and conditions of this Agreement and file an insurance certificate with the TCIDA prior to commencement of any operations. Such insurance shall be in the limits and form as is required of OHRV under Section 5 (g) of this Agreement. Any subcontractor shall also provide all documentation required under paragraph 15, below.

(f) Payments. Payments shall be made on a monthly basis with each payment for each individual month be due and payable within 45 days. Any payment received more than 45 days after it is due, shall be subject to a late fee of 4% of the amount due and payable.

(g) Other Charges. OHRV shall also pay and discharge, on or before the 1st day on which payment may be made without penalty or interest, excise, license and permit fees, and other governmental impositions and charges which shall or may during their term hereof be charged, laid, assessed, imposed, become due and payable, become a lien upon, or arising in connection with the use or operation of the line of railroad for freight service. OHRV shall have the right to contest any such taxes or other charges by appropriate legal proceeding, conducted at its own expense, providing the OHRV shall furnish to TCIDA a surety bond or other security satisfactory to cover the amount of the contested item or terms, with interest and penalty for the period which such proceedings may be expected to take.

(h) In the event OHRY ceases operations during the term of this Agreement, or any renewal thereof, it shall be required to pay to the TCIDA a monthly amount equal to the average monthly payment made by OHRY under this Agreement during the preceding thirty-six (36) month period. This obligation shall continue until the termination of this Agreement, or any renewal thereof, or until such time as a successor entity commences operations on the TCIDA rail line, whichever occurs first.

Section 3. Conditions of Railroad Premises. OHRY has inspected the line of railroad and accept the same in "as is" condition. TCIDA makes no representation or warranty as to the physical condition of the line of railroad or the condition of legal title (other than for railroad purposes). OHRY shall maintain and return the line of railroad to the TCIDA in its current class condition or such higher standard should the standard of the track and/or bridges or any portions thereof be at a higher class at any time during the term of this Agreement.

Section 4. Provision of Additional Equipment and Facilities. OHRY shall be responsible for providing all equipment and facilities required for operation of the line of railroad and not part of the premises provided hereunder. Such equipment and facilities shall include, but shall not be limited to, locomotives, rolling stock, maintenance equipment, office space and such other facilities and equipment as are required to provide rail freight service over the line of railroad as contemplated by this Agreement. Such equipment shall be maintained in good repair and shall be inspected and maintained as required by any state or federal law or regulation.

Section 5. OHRY Obligations. OHRY agrees that it will comply with the requirements of General Municipal Law Section 854 as it pertains to Railroad facilities and will at all times during the continuance of this Agreement:

- (a) Operate all services in accordance with all federal, state, and local requirements and shall be responsible for obtaining all governmental approvals, authorizations, franchises, licenses and permits as may be prerequisite to the rendering of such service;
- (b) Observe and comply with any and all requirements of the constituted public authorities and with all federal, state and local statutes, ordinances, regulations and standards applicable to OHRY or its use of the line of railroad;
- (c) Install, maintain and operate at its own expense the line of railroad, including grade crossings and grade crossing protection devices and related

facilities used/occupied by OHRY thereon in good operating condition and repaired in a manner consistent with sound, accepted engineering principles and maintain the track to minimum FRA Class 1 Standards or of such higher standards should the Class of the track be raised due to rehabilitation grants or other such monies including the current rehabilitation projects;

(d) Repair or replace at its own expense, any bridges, rails, ties and other items of track or signaling equipment as may be necessary to keep the line of railroad in good operating condition. Any and all repairs shall be completed in a timely fashion. If OHRY fails to make such timely repairs, nothing in this agreement shall prevent the TCIDA from making repairs; the reasonable value of such repairs shall be the responsibility of OHRY. In the event of any such replacement at the expense of OHRY the new property shall become the property of TCIDA;

(e) Fully indemnify, defend and hold harmless TCIDA, its officers, agents, employees, successors and assigns, against all claims, suits, actions or judgments, based upon or arising out of damage or injuries to persons or property caused by the negligence of OHRY or its agents, employees, guests, invitees, contractors, suppliers of materials, or furnishers of services in the use, maintenance and occupancy of the line of railroad;

(f) Be liable, defend and indemnify the TCIDA for any damages, harm or injury to the line of railroad caused by the negligence of the OHRY, its agents, guests, customers, invitees, licensees, contractors or employees;

(g) Maintain a policy or policies of liability insurance, covering OHRY operations solely, to insure itself against liability for injury or damage to persons and property, with a carrier rated B++ or better with AM Best & Co. or as otherwise acceptable to the TCIDA if no such company is available, and in which policies will be in the minimum amounts set forth below:

<u>TYPE</u>	<u>LIMITS</u>
Comprehensive General Liability	For all claims \$20,000,000 per occurrence, \$10,000,000
Federal Employer's Liability Act	Covered by blanket policy
Cargo Legal Liability	Covered by blanket policy
Foreign Rolling Stock	Covered by blanket policy

Automobile Liability

Covered by blanket policy

**Pollution/Environmental
Liability**

For all claims \$10,000,000 per claim

(h) Cause TCIDA to be named as an additional insured and provide a copy of the policy and endorsement naming TCIDA as an additional insured under each such policy and furnish TCIDA with appropriate certificates of such insurance which shall specifically state that the insurance company shall furnish to TCIDA at least thirty (30) days' notice of any lapse or material changes in such insurance;

(i) Peacefully deliver up and surrender possession of the line of railroad to TCIDA at the expiration or other termination of this Agreement;

(j) Only on written TCIDA approval and if necessary the New York State Department of Transportation, remove, replace, or relay elements of the track or structures on the line of railroad in the interest of cost and/or operating efficiency, provided that a continuous and useful, rail transportation facility is maintained. Improvements or additions made by OHRY to the track, right of way, structures or any facilities shall become the property of TCIDA, including additional facilities, switching devices, rail spurs and the like;

(k) Allow members of TCIDA or its designee(s) an opportunity upon reasonable notice to inspect any portion of the line of railroad including permission to ride any and all trains operated by OHRY provided such members comply with all safety rules;

(l) At the end or prior to the end of each calendar year, provide TCIDA with a written report of its sales programs for the upcoming year. A marketing plan may also be requested provided such marketing plan remains confidential;

(m) At all times during this Agreement follow financially sound business practices and annually provide a compiled financial statement prepared by a certified public accountant to also include lists of creditors, lien holders and judgment holders, all pending or threatened litigation including the nature thereof and a written statement from OHRY's counsel as to the issues involved and expected outcome. OHRY shall allow the TCIDA to perform any additional audits, over and above those reports required annually, as requested by the Agency upon sixty (60) days written notice, but such audit shall be paid for by the Agency;

(n) Have the rail line and bridges inspected annually and timely as required under New York State and federal laws and at its own expense and serve upon the TCIDA a copy of the certified rail and bridge inspection within thirty (30) days of receipt thereof. All required repairs or other such recommendations in

such reports shall be compiled within 60 days of a reasonable time thereafter if circumstances of the repair/recommendations so require;

(n) By signing this agreement hereby gives its consent to any and all easements or other such uses requested or required by the TCIDA for whatever purposes and shall provide reasonable access to the leased property by the TCIDA, its agents or assigns, for any and all purposes. OHRY shall and by signing this agreement hereby gives its consent for access to the construction of any and all rail crossings and/or spurs and/or sidings requested by the TCIDA;

(p) Cooperate as required with the County of Tioga including the Tioga County Department of Economic Development and Planning to retain, expand and attract industry where there exists a potential to generate a net increase in rail freight to the benefit of both the OHRY and TCIDA;

(q) Clear all brush, weeds and debris in compliance with state and federal regulations along the leased premises, and to that end keep the leased premises in clean aesthetic environment. OHRY shall not be responsible for removal of existing debris. OHRY shall use only environmentally sound products and shall be responsible and indemnify defend and hold harmless the Agency for any environmental contamination resulting therefrom.

Section 6. Restrictions. OHRY further agrees that it will not:

(a) Occupy the line of railroad in any way or for any purpose unrelated to the operation of the line of railroad;

(b) Assign, mortgage, pledge or encumber the line of railroad, or any part thereof or assign its obligation under this Agreement without prior written consent of TCIDA; or

(c) Transport or handle hazardous, toxic or noxious commodities without requisite insurance.

Section 7. Relationship between OHRY and TCIDA. The OHRY and TCIDA, or its agent, shall meet at least quarterly to review and discuss cost, operations and service problems. OHRY shall inform the TCIDA and affected shippers of any major action or event related to the line of railroad which may affect rail freight service to those shippers as soon as such action or event is known to OHRY. The TCIDA will inform OHRY of any problems or concerns related to the rail freight service. OHRY is a private corporation and is an independent contractor and is not an agent of the TCIDA, except as provided for in Section 27. Whenever a written approval is required by OHRY from TCIDA, the signature of an approved officer will suffice to validate such written approval.

Section 8. Rents from Non-Operating Properties. TCIDA shall receive any and all rents arising from any leases of non-operating properties presently outstanding or to be negotiated on any portion of the line of railroad and any renewals thereof, including, but not limited to, rents, license fees, and other revenues paid by any party occupying a portion of the line of railroad including but not limited to rentals and fees for pipe and wire crossings, utility crossings, signboards, platform locations, driveways, storage facilities, parking lots, water rights, land rents, building rents and water tank rents, among other things. TCIDA shall collect such monies as they become due.

Section 9. Condemnation of the Line of Railroad. If the line of railroad, or any portion thereof, is condemned or taken by any competent authority for public use, the award for payment of damages resulting therefrom, or any amount paid in settlement thereof, shall be paid to and retained by TCIDA, except as hereinafter provided. If the entire line of railroad is taken or such substantial part thereof as shall materially impair or interfere with OHRY's proper use and enjoyment thereof, the Agreement shall automatically terminate as of the date of the taking. If only such portion of the line of railroad is taken as shall not materially impair or interfere with the OHRY's proper use and enjoyment thereof, this Agreement shall continue in full force and effect, and all proceeds of the condemnation award or payment shall first be used by TCIDA as may be required for the restoration of the line of railroad in such a manner as will enable the continuing operation thereof by the OHRY as herein above provided.

Section 10. Default. If during the term of this Agreement, there shall occur any of the events listed below ("Events of Default"), TCIDA may declare OHRY in default and proceed according to paragraph 11, below. Events of Default shall include but not be limited to the following:

- (a) OHRY fails to make any payments or fees provided for in this Agreement at such times as they are due and payable.
- (b) OHRY fails to perform any of its obligations under this Agreement.
- (c) OHRY makes an assignment for the benefit of the creditors or files a voluntary petition under any bankruptcy or insolvency law or is adjudicated as bankrupt or insolvent in voluntary or involuntary proceedings or seeks reorganization or receivership or similar relief; or
- (d) a proceeding against OHRY seeking reorganization or receivership or similar relief is not dismissed or vacated or stayed on appeal within sixty (60) days;

- (e) OHRV fails to maintain the line of railroad in accordance with the terms of this Agreement or fails to conduct its operation in a manner consistent with generally accepted railroad safety practices;
- (f) any conduct of its operations in such a manner so as to commit intentional waste to the line of railroad;
- (g) fails to discharge any claims or liens for materials and services for which OHRV becomes obligated while providing freight rail transportation service under this Agreement.

Section 11. Notice of and/or Failure to Cure Defaults. If an Event of Default occurs, TCIDA shall give written notice to OHRV of the default and give OHRV thirty (30) days to correct such default.

If OHRV fails to cure any default or if a OHRV shall not commence to comply within such period and thereafter complete with due diligence, TCIDA shall have the right, but not the obligation and in addition to all other remedies it may have hereunder and at law or in equity, to:

- (a) upon twenty-four hours written notice to OHRV undertake the performance of such obligations and obtain reimbursement from OHRV thereof; or
- (b) to terminate this agreement pursuant to paragraph 12, below.

Section 12. Termination and Termination Costs. This Agreement may be terminated as follows:

- (a) expiration of the term,
- (b) upon an Event of Default referenced above, by giving the other party at least 90 days' notice.

Each party shall bear its own termination costs unless such termination is judicially declared to be unjustified under the terms and conditions of the Agreement. This provision shall not apply to reimbursement of costs and expenses including reasonable attorney fees in any action or proceeding amongst the parties hereto and arising out of this Agreement.

Section 13. Waiver. Any waiver by either party under this Agreement or any breach by any other party shall not affect similar right subsequently arising nor operate as a waiver of subsequent breaches of the same or similar kinds nor as a waiver of the clause or condition under which said right arose or said breach occurred.

Section 14. Notice. Notice provided for herein shall be sufficient if sent by certified mail, postage prepaid, as follows:

To the TCIDA at:
Tioga County Industrial Development Agency
Attn: Business Administrator
56 Main Street
Owego, New York 13827

To the OHRY at:
Owego & Harford Railway, Inc.
Attn: President
25 Delphine Street
Owego, NY 13827

or such other address as either party may, from time to time designate to the other in writing.

Section 15. Access to Records.

(a) OHRY agrees to maintain and provide copies to TCIDA of documents supporting the gross revenues upon which payment under Section 2 is calculated including but not limited to carload interchange records and reports and such other records and reports necessary to permit TCIDA to fully verify statements of traffic, revenue, and expenditures furnished by OHRY on a monthly basis. An annual summation of car loadings and interchange report will be provided to TCIDA by February 28 of the following year. The report will be broken down by month, shall have car loadings by carrier/customer and will show applicable income paid to TCIDA.

(b) TCIDA shall have full access to these records and reports during normal business hours upon 48 hours written notice, duly given OHRY.

(c) OHRY will deliver to TCIDA compiled financial statements as prepared by an independent certified public accountant and an independent audit of freight revenue no later than June 15, for the year ending.

Section 16. Indemnification. OHRY shall indemnify, defend and hold the TCIDA harmless for any and all claims, demands or actions, arising or alleged to arise out of any acts or omissions related to its use, maintenance and operation of

the railroad and for any claims, demands or actions, arising or alleged to arise out of OHRY's obligations contained in this agreement. Should a conflict arise between the parties hereto, TCIDA shall have the right to employ independent counsel, at OHRY's expense, to provide legal counsel and/or to defend any such claim, demand or action.

Section 17 Force Majeure. Neither party hereto shall be held responsible or liable, either directly or indirectly, or be deemed in default or breach of this Agreement for any loss, damage, injury, delay, failure, or inability to meet all or any portion of its commitments hereunder caused by or arising from any cause which is unavoidable or beyond its reasonable control, including without limitation, war, hostilities, invasion, insurrection, riot, the order of any competent civil or military government, explosion, fire, strikes, lockouts, AAR service orders, actions of other carriers which materially affect OHRY's operations, labor disputes, perils of water including floods, ice, breakdowns, Acts of God including storms or other adverse weather conditions, derailments, washouts, wrecks or other causes of a similar or dissimilar nature which wholly or partially prevent the Parties or either of them from carrying out the terms of this Agreement; provided that the Party experiencing such force majeure shall be eliminated as soon as and to the extent reasonably possible and that each Party shall have the right to determine and settle any strike, lockout and labor dispute in which that Party may be involved in its sole discretion. In the event that one party's performance is suspended in whole or in part by force majeure, the other Party's obligation to perform hereunder shall be suspended or commensurately reduced for the duration of the force majeure and for such additional reasonable period as may be required because of the existence of the force majeure. In the event that one Party's performance hereunder is suspended by force majeure and cannot be resumed within a reasonable period of time, either party shall have the right to terminate this Agreement.

Section 18. Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. However, this provision shall not be construed to confer on OHRY any right or authority to assign all or any part of this Agreement without the TCIDA's prior consent.

Section 19. Entire Agreement. This Agreement contains the entire understanding of the parties with respect to its subject matter. Nor oral statement or prior written matter shall have any force or effect. The parties

heroby acknowledge that they are not relying on any representations or agreements other than those contained in this Agreement. This Agreement shall not be modified except by a written instrument subscribed by both parties hereto.

Section 20. Severability. If any term, covenant, condition or provision (or part thereof) of this Agreement or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision (or remainder thereof) to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

Section 21. Terms. The terms of this agreement shall be TWELVE (12) years from effective date hereto unless terminated prior thereto in accordance with provisions of this Agreement. OHRY shall have an option to extend such term an additional four (4) year period by giving written notice to the TCIDA at least one year prior to the end of the lease term. This means that notice must be served upon the TCIDA no later than December 31, 2023.

Section 22. Enforcement. In the event either party is required to enforce any of its rights against the other, the prevailing party shall be reimbursed any costs and expenses including reasonable attorney fees regardless if such enforcement is prosecuted in any action.

Section 23. Applicable Law. This Agreement shall be construed in accordance with the laws of the State of New York.

Section 24. Extension of Terms and Conditions. TCIDA shall have the option to extend the terms and conditions of this agreement to any other TCIDA owned or acquired Lines of Railroad which connect to this line of railroad in order to avoid in whole or in part the duplication of existing enterprises performed by OHRY serving substantially the same purposes.

Section 25. Guarantee. The contractual obligations contained herein shall be personally guaranteed by Steven May and Cheryl May joint and severally.

Section 26. Assignability. This contract cannot be assigned either in part or in whole by any party hereto without the written consent of the other party.

Section 27. Rail Improvements. OHRY agrees to act as agent and act as Clerk of the Works for the Agency to ensure proper allocation and application of funds for the TCIDA from any and all rail enhancement or improvement projects including those administered by the State of New York, Department of Transportation, ISTEA, ARC, and the like. OHRY shall serve in such capacity upon approval of a majority of the board of directors and shall be compensated according to the pay scales of the sponsoring agency for such service including all incidental costs incurred in serving in such capacity. OHRY shall also be reimbursed for all additional out-of-pocket expenses incurred as a result of such rail enhancement programs including but not limited to inspection and flagging costs. Such reimbursement shall not include any loss of profits resulting from any rail enhancement programs.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by themselves or by their respective duly authorized officers as of the day and year first above written.

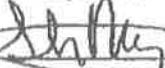
**TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

SEAL

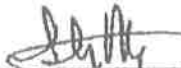
by: 
Aaron Gowan, Chairman

**OWEGO & HARFORD
RAILWAY, INC.**

SEAL

by: 
Steven C. May, President

We the undersigned hereby provide our personal guarantees for the contractual and monetary obligations of OHRY, but only in respect to the TCIDA. This guarantee does not flow to any third party, including third party beneficiaries of this Agreement.


Steven C. May


Cheryl May

AMENDMENT TO OPERATING AGREEMENT

THIS AMENDMENT TO OPERATING AGREEMENT (this "Agreement") is entered into on the 9th day of October 2020, by and between the **TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("TCIDA")** and **R.J. CORMAN RAILROAD COMPANY/OWEGO & HARFORD LINE, INC.**, a New York corporation ("**RJCOH**") (TCIDA and RJCOH being collectively the "Parties").

WITNESSETH:

WHEREAS, TCIDA entered into an Operating Agreement with the Owego and Harford Railway, Inc., a Pennsylvania corporation ("OHRV"), dated February 13, 2013 (the "Operating Agreement") for the operation by OHRV of a certain rail line extending from the Village of Owego to the Town of Harford; and

WHEREAS, OHRV has assigned all its rights and obligations accruing from and after the assignment under the Operating Agreement to RJCOH; and

WHEREAS, TCIDA and RJCOH desire to amend the Operating Agreement as herein provided;

NOW, THEREFORE, in consideration of the Parties covenants and agreements between the Parties set forth herein, the Parties hereto agree that from and after the assignment of the Operating Agreement by OHRV to RJCOH the following shall apply:

1. As to any rights or obligations accruing from and after the assignment of the Operating Agreement to RJCOH, references to "OHRV" shall be deemed to reference "RJCOH".

2. Section 2 is hereby amended to so as to add the words "each of the" prior to the word "years" in Sections 2(a)(2).

3. Section 2(a)(3) is hereby amended to read as follows:

(3) For each of the years 2021 through December 31, 2029, RJCOH shall pay to the TCIDA:

- Ten percent (10%) on all gross revenue up to \$1,200,000.00
- Five percent (5%) on all gross revenues in excess of \$1,200,000.00

4. Section 2(a)(4) is hereby amended to read as follows:

(4) For each of the years beginning with 2030 through December 31, 2035, RJCOH shall pay to the TCIDA:

- ❖ Ten percent (10%) on all gross revenues up to \$1,500,000.00
- ❖ Five percent (5%) on all gross revenues in excess of \$1,500,000.00

5. Section 2(a) is hereby amended to include a subsection (5), which shall read as follows:

(5) For each of the years beginning with 2036 through the date of expiration or termination of this Agreement, RJCOH shall pay to the TCIDA:

- ❖ Ten percent (10%) on all gross revenues up to an amount to be agreed upon by the parties, but in no event less than \$1,500,000.00
- ❖ Five percent (5%) on all gross revenues in excess of an amount to be agreed upon by the parties, but in no event less than \$1,500,000.

6. Section 2(h) is hereby amended to read as follows:

(h) In the event RJCOH ceases operations during the term of this Agreement, or any renewal thereof, it shall be required to pay to the TCIDA, as liquidated damages for RJCOH's breach of this Agreement due to ceasing such operations during the term, a monthly amount equal to the average monthly payment made by OHRY and/or RJCOH under this Agreement during the preceding thirty-six (36) month period. This obligation shall continue until the termination of this Agreement, or any renewal thereof, or until such time as a successor entity commences operations on the TCIDA rail line, whichever occurs first. Such liquidated damages shall be the TCIDA's sole remedy for such breach and RJCOH shall have no other obligations to TCIDA under the Agreement from and after such cessation of operations.

7. Section 21 is hereby amended to read as follows:

Section 21. Term. The term of this agreement shall be for a period of twenty-two (22) years from effective date of this Agreement (i.e., January 1, 2013) unless terminated prior thereto in accordance with provisions of this Agreement. In addition, unless this Agreement is so terminated prior to expiration of said initial term, RJCOH shall have the option to extend such term for up to three (3) additional five (5) year periods by giving

written notice to the TCIDA at least one year prior to the end of the then-current lease term. This means that notice would need to be served upon the TCIDA no later than December 31, 2033 for the first five (5) year renewal, no later than December 31, 2038 for the second five (5) year renewal and no later than December 31, 2043 for the third five (5) year lease term.

8. Section 25 shall not apply to any obligations accruing under the Operating Agreement from and after the assignment of the Operating Agreement to RJOH.

In all other respects, the Operating Agreement shall remain unchanged. This Agreement may be executed in two or more counterparts.

IN WITNESS WHEREOF, this Amendment to Operating Agreement has been duly executed as of the day and year set forth below.

**TIOGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

Its: Chair

**R.J. CORMAN RAILROAD
COMPANY/OWEGO & HARFORD
LINE, INC.**

By: 

Its: President