

Chemung County Industrial Development Agency
Minutes of the Meeting
February 9, 2023

A meeting of the Chemung County Industrial Development Agency convened on Thursday, February 9, 2023 at 9:00 AM in the 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York and via Webex.

Members present were Michael Cantando, Martin Chalk, Michael Collins, Chad Keenan, Mark Margeson and Liane O'Brien.

Dawn Burlew was excused.

Also present were Joseph Roman, Executive Director of the Agency; Steven Maier, Harris Beach; Russell Gaenzle, Harris Beach; Jill Koski, Staff to the Agency; Michelle VanDeBogart, Staff to the Agency; and Mary Rocchi, Recording Secretary to the Agency.

Mr. Margeson, Chairman, called the meeting to order at 9:00 AM. Introductions of board members were made.

There was no request for Public Comment.

Mr. Maier provided a brief overview of what an Industrial Development Agency can provide to a project. IDA's were created to actively promote, encourage, attract and develop job and recreational opportunities. They can provide financial assistance to private entities through tax incentives such as manufacturing, renewable energy, technology-based, commercial, rehabilitation of existing buildings, student housing, affordable housing and medical facilities. IDA's have the ability to purchase, sell, lease and/or mortgage real property and to borrow and make money available in connection with properly induced IDA projects. They are subject to open government laws. The IDA can provide financial assistance including Mortgage Recording Tax Exemption, Sales and Use Tax Exemption, Real Property Tax Abatement and Tax-Exempt Bonds (limited). The IDA staff reviews an application to make sure it is complete and then brings it to the board for review and approval.

On Motion No. 2/2023-1 by Mr. Collins, seconded by Mr. Chalk and unanimously carried, the minutes of the December 6, 2022 and December 8, 2022 meeting were approved.

Ms. VanDeBogart presented financials through January. Total income on the profit and loss was \$6,100. Arena expenses included flooring and LED lighting upgrades. Directors & Officers Liability insurance was paid. Project costs to maintain 17 Aviation Drive were paid. Net income was a negative \$156,662 due to timing of funds coming in. The IDA has cash assets of approximately \$3 million, which is down by \$175,000 from last year. Accounts receivable increased \$15,000. We have \$13,791,939 in total assets. On Motion No. 2/2023-2 by Mr. Collins, seconded by Mr. Keenan and unanimously carried, the financial report was approved.

Executive Director's Report: Mr. Roman commented that some of the projects that come to the IDA board are confidential until the project is approved for a public hearing, then it will be public. Mr. Roman serves as President of Southern Tier Economic Growth and Executive Director of the Chemung County IDA. STEG staff, Jill Koski, Michelle VanDeBogart, Benjamin Fleischman and Mary Rocchi also

serve as CCIDA staff. STEG also provides an office for the IDA. STEG is reviewing its Human Resource policies currently. A new fob system was installed this week. We are having roof patched and repaired as replacing it would cost \$500,000 to \$1 million. We will do annual preventative maintenance on the roof. The Chamber of Commerce also owns 50% of the building.

Mr. Roman reported that the IDA owns most parcels in Airport Corporate Park South. There are three businesses interested in the park currently. The companies consist of retail/commercial; potentially a warehousing/distribution project and a small distribution company. J. Roman participated in a call with the company and NYSEG to extend infrastructure to the potential warehousing/distribution property. IDA staff is looking into grants and possible PILOT to defer some of the costs. The Consolidated Funding Application process is the single best way to receive funding in New York State. CB Mechanical on Maple Avenue is working on a CFA with the assistance of MRB Group. STREDC is another source of funding. Arbor Housing is redeveloping 42,000 square feet of buildings next to the STEG office on East Church Street for low income housing. A developer for Booth School will turn the building into market rate housing. Part of the drive for housing in Elmira is because of LECOM, which will need to house 500 students. CAF USA has a large contract and will create 400 jobs. It is a \$15-\$25 million investment and they are in Phase I. Staff is working with Empire State Development on this project.

Ms. Koski is working on projects in various stages. There have been a lot of developers contacting STEG. The IDA is developing a new website and will go live in March. Benjamin Fleischman, who has been with STEG for about six months, is our Community Outreach Manager. He is increasing our presence on social media and promoting the good things we do in a monthly newsletter and other updates he sends out. STEG and the CCIDA are working with MRB Group on a Strategic Economic Development Plan. It will be used as part of Chemung County's Economic Development Plan. We are focusing on three target areas – St. Joseph's Hospital campus, Arnot Mall and Airport Corporate Park South. STEG administers a low interest loan program for the City of Elmira and the Village of Horseheads. STEG and REDEC each provided a \$50,000 loan to Jim's Gym. STEG is expanding their Business Retention program by visiting businesses. We are making a concerted effort to track what we're doing and following up with businesses. STEG represents the business community in Chemung County. During STEG's last capital campaign, the business community stepped up during COVID and helped us exceed our goal. STEG is driven by its Executive Committee.

New Business

17 Aviation Drive: Mr. Margeson discussed 17 Aviation Drive facility as an asset that has been in the IDA's possession for several years. The IDA along with Pyramid Brokerage, Newmark and Holstein Aviation have been marketing the building for several years with some interest, but nothing has come to fruition. Holstein Aviation created a video to market the facility. There is an approximately 35,000 square foot hangar and 35,000 square feet of office space. The building is being marketed to the aviation industry. Mr. Margeson discussed transferring the asset back to Chemung County. The Airport Manager could utilize this facility for transient aircraft, which the IDA does not have the staff and equipment to do. The facility would have the opportunity to generate potential income if transferred back to the county. Marketing would be done through the County. There is currently a full page ad on the facility in a major aviation magazine. The asset can go back and forth between the County and the IDA if there is a project, if it makes economic sense. Ms. O'Brian asked if the agreement the IDA has with Holstein Aviation would remain with the IDA or would the County airport take over that marketing? The County would take over marketing the facility. Mr. Cantando asked what stymies the building from being sold. The large amount of office space deters companies. There is no lack of effort in marketing the building. The availability for aviation employees is challenging. We need to involve the Airport

Manager to assist with selling/leasing this asset. Mr. Collins asked if the facility was sold by the County, would the IDA get any proceeds from the sale since we owned it for several years. Mr. Margeson commented that the IDA did not have to pay the airport fees on the property while we owned it, which were approximately \$50,000 per year. Mr. Keenan asked if the airport manager was on board, which he is. Mr. Margeson has talked with County Executive Moss about transferring the property back to the County. Mr. Maier commented that in New York State, the transfer of property needs a 90 day notice so the IDA can have a property appraisal done to find out the purchase price and fair market value of the facility. The County Legislature has to accept the property. An appraisal costs approximately \$1,000 to \$2,000. On Motion No. 2/2023-3 by Mr. Chalk, seconded by Mr. Cantando and unanimously carried, a RESOLUTION OF THE CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF A NOTICE OF DISPOSITION WITH RESPECT TO CERTAIN REAL ESTATE OWNED BY THE AGENCY was approved.

Procurement Policy: Mr. Roman discussed the updating of the Procurement Policy. The estimated amount of purchase contract and estimated amount of construction work contract both increased. Mr. Roman requested that he be allowed to spend up to \$5,000 for needed items without prior board approval. This would cover purchase orders and other items up to \$5,000. On Motion No. 2/2023-4 by Mr. Collins, seconded by Ms. O'Brian and unanimously carried, a RESOLUTION OF THE CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZED THE ADOPTION OF AN AMENDED PROCUREMENT POLICY OF THE AGENCY was approved. Mr. Roman commented that all policies are reviewed every year by Harris Beach and updated when necessary.

On Motion No. 2/2023-5 by Mr. Collins, seconded by Ms. O'Brian and unanimously carried, Executive Session convened at 9:48 AM. Mr. Chalk recused himself from the session.

On Motion No. 2/2023-6 by Mr. Collins, seconded by Mr. Keenan and unanimously carried, Executive Session dismissed at 10:17 AM.

On Motion No. 2/2023-7 by Mr. Collins, seconded by Mr. Keenan, with Mr. Chalk recusing, a RESOLUTION OF THE CHEMUNG COUNTY INDUSTRIAL DEVELOPMENT AGENCY (I) ACCEPTING AN APPLICATION WITH RESPECT TO A CERTAIN PROJECT; (II) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT, AND (III) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT was approved.

Adjournment: On Motion No. 2/2023-8 by Mr. Collins, seconded by Mr. Keenan and unanimously carried, the meeting adjourned at 10:19 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary