

Tioga County Industrial Development Agency
Board of Directors
Minutes
July 2, 2014

1. **Call to Order and Introductions** – the meeting was called to order by the Chair, R. Kelsey at 5:30 p.m.

2. **Attendance**
 - A. IDA Board Members
 1. Roll Call
 - a. Present: R. Kelsey , A. Gowan, T. Monell , D. Daniels , W. Woods and R. Case
 - b. Absent: K. Dougherty
 - c. Excused:
 - B. Guests: R. D’Attilio, C. Haskell, L. Tinney, J. Meagher, J. VonEsch (Hampton Inn)and R. Fiato

3. **Privilege of the Floor** - Jim VonEsch, General Manager from Owego Treadway Inn/Hampton Inn, presented his request for the board to approve and sign documents in connection with a modification to Owego Associates mortgage with Visions Federal Credit Union. Chairman Kelsey noted that the request is on the agenda and the board will be reviewing the request and will vote on the matter tonight.

4. **Introduction – Richard D’Attilio** - The IDA has approached Richard D’Attilio to be hired as a consultant for the IDA and assist the Agency to move the development of the E-Site forward; the board asked him to give an overview of his conversations with all interested parties involved in the development of E-Site. Mr. D’Attilio has looked at preliminary work and has conversations with all parties involved. The first step is to have Delta Engineers prepare a site plan analysis to determine the cost to install the gas, electric, water, sewer and the road to make this site shovel ready. To date, the IDA has an option agreement with Home Leasing, LLC; Mr. D’Attilio has spoken with Mr. Nelson Leenhouts (Home Leasing) and Mr. John Oster (Edgemere) who believes they are a bonafide company who will fund, build and operate their project. Home Leasing is expecting the IDA to deliver a shovel ready site by December 31, 2016. Mr. D’Attilio believes that more dialog with Strategic Development Partners (SDP) is needed to take place before they make another trip to Owego, NY. There seems to be some miscommunications between the parties as to who will finance, own and operate the Greenhouse Project. SDP is looking for a financial commitment from Tioga County/IDA. Defined deliverables on both sides need to be determined. SDP is still interested in being involved with the project but they were anticipating on being involved in the entire project. Mr. D’Attilio and Mr. Alston from SDP discussed what the estimated cost to build the Greenhouse Project from start to finish would be; an approximate cost of \$5 Million (about \$1M per house) was stated. Mr. D’Attilio did advise Mr. Alston that the IDA is not interested in owning or operating the Greenhouse Project and Agency Counsel will need to look into whether or not it is even legal for the IDA to be involved in a public/private relationship. Once the cost to deliver a site shovel ready is known, then the capital investment can be determined as well

as who is going to be obligated for the funds to finance the project. SDP thought that the community was going to be the financial backing; that either Tioga County or the IDA would be the client owner and SDP would be the advisors and seek out additional assistance. Additional conversations between the IDA and SDP need to take place to define what both parties are offering to the partnership and if it is mutually beneficial to move forward together. In his conversation with David Farrell from the Greenhouse Project, Mr. Farrell did mention that the Greenhouse Project does have a \$10M Grant from the Robert Wood Johnson Foundation to help promote and fund a greenhouse project. Mr. D’Attilio stated that the infrastructure can be built in phases but you still need to know the cost of the initial phase. A conversation with Delta Engineers to build the road and infrastructure needs to happen; once you decide on the location of the road, then you can start installing the infrastructure. One of the biggest challenges is getting water to the parcel; is there any other way to do that and will Home Leasing accept the alternative. Mr. D’Attilio will continue to speak with all interested parties on behalf of the IDA until the board determines otherwise.

5. Correspondence

- A. LeeAnn Tinney Thank you notes acknowledged
- B. Tioga County Legislator – Marte Sauerbrey – Thank you note acknowledged
- C. Jennie Coughlin (Press & Sun) FOIL/response acknowledged

6. Approval of Minutes (R. Case/W. Woods)

Aye: 6	Abstained: 0
Nay: 0	Carried

7. Financial Report

- A. Reports
 - 1. Balance Sheet
 - 2. Profit & Loss
 - 3. Transaction Detail
 - 4. 2nd Quarter Operating Income vs. Operating Expense Report
- Motion to acknowledge the financial statements (A. Gowan/T. Monell)

Aye: 6	Abstained: 0
Nay: 0	Carried

8. Regional Council Meeting Outcome – fantastic event, very positive feedback from ESD and local people. Good representation from the county and IDA attending the event. Received recognition from the higher ups at ESD regarding the tour at Lockheed Martin, no one else has done that.

9. OHRY Request to have New England Rail Excursions offer rides to people in old fashion railroad cars on October 19, 2014 as a fund raiser for the Tioga County Boys and Girls Club. New England Rail Excursions is trained in all railroad operating practices, rules and compliances as well as carrying adequate insurance to cover the TCIDA and OHRY. Agency Counsel will review insurance coverage prior to event to ensure adequate coverage.
Motion to approve OHRY’s request to have New England Rail Excursions offer rides as a fund raiser (T. Monell/R. Case)

Aye: 6	Abstained: 0
Nay: 0	Carried

- 10. Owego Associates** – Resolution authorizing the Agency to execute documents in connection with a modification of Owego Associates’ mortgage upon review of Agency counsel. Agency counsel noted that he has reviewed the documents and that there is no financial obligation or risk for the Agency to sign the modification documents.

Motion to approve Owego Associates request to execute documents in connection with a modification to their mortgage with Visions Federal Credit (D. Daniels/A. Gowan)

Aye: 6

Abstained: 0

Nay: 0

Carried

- 11. Board Seat(s) Discussion** – Chairman Kelsey advised the board that he is working with the legislators for their feedback and thoughts on potential candidates who are interested in serving on the IDA board. A list of names has been brought to the board and the governance committee will meet prior to the next board meeting to make recommendations.

12. Project Updates

- A. E-Site Development Project Update – timeline of the progress of development has been provide to the board and will be updated as needed.
- B. SDP visit, last week of July – on hold
- C. Larson Design Group – Lounsberry South Sanitary Sewer Extension Project
 - 1. Advertisement for Bids published on 6/23/2014; bids due on 7/15/2014
- C. Lockheed Martin Closing Date – Agency Counsel plans to be ready by next week
- D. Regional Council Support Letter for the Edgemere Project
- E. Army Reserve Center Status Update – nearing completion; plan ribbon cutting event in August
- F. Tioga Downs – submitted casino license application on 6/30/2014; had press conference event on 6/30/2014 at Tioga Downs; the next step is for Tioga Downs to make an oral presentation to the gaming board commission and then hold public meeting at each of the affected areas; ED&P and the IDA will help with setting up the public hearing.
- G. Greenhouse Site Visit – Tentatively scheduled for Rochester on August 15th at 4:00 p.m.; looking into alternative site visit at the Albany Greenhouse; will update board on schedule.
- H. Update - Village of Owego Board voted against the DOT truck bypass project on North Ave on 6/16/2014; \$2.2M was allocated for this project and is still available; the Village Board has asked DOT to come back with a better plan.
- I. CFA (Consolidated Funding Application) Update – ED&P and the IDA assisted 5-6 businesses/entities apply for the CFA by the deadline of June 16, 2014. Award announcement should take place in October/November timeframe.

13. Old Business

- A. Public Authority Accountability Act
 - 1. Audit Committee Report (R. Kelsey, A. Gowan, K. Dougherty) - none
 - a. Jan Nolis – completed 2nd quarter financial review
 - 2. Governance Committee Report (R. Kelsey, W. Woods, D. Daniels) – none
 - 3. Finance Committee Report (R. Kelsey, A. Gowan, W. Woods) - none

14. PILOT Updates

- A. Best Buy PILOT Update

15. Reports

A. Railroads

1. Committee Report (T. Monell, R. Case, D. Daniels, W. Caloroso)
 - a. Update –Town of Berkshire – land to be conveyed
 - b. Update - Frontier railroad lease Anderson Hill Road & Route 38 – Received payment
 - c. OHRV construction project – repair State Route 38 in Richford
 - d. OHRV – submission of two grant applications through DOT - Bridge load rating and subsequent upgrades; grant for \$519K with OHRV providing a 33% match; New engine house and associated spur; grant for \$477K with OHRV providing a 30% match.

B. Loan Program

1. Update – Northeast Implement Corporation – withdraw loan request

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

Motion to move into Executive Session at 6:53 p.m. pursuant to Public Officers Law Section 105 (D. Daniels/T. Monell)

Exit Executive Session at 7:07 p.m. (T. Monell/D. Daniels)

17. Approval of Consultant’s Confidentiality Agreement & Contract

Motion to approve Consultant’s Confidentiality Agreement & Contract (D. Daniels/A. Gowan)

Aye: 6

Abstained: 0

Nay: 0

Carried

18. Resolution authorizing the Agency to proceed with litigation regarding the title to Berry Road Property (T. Monell/ D. Daniels)

Aye: 6

Abstained: 0

Nay: 0

Carried

19. Agency Counsel will issue a letter to Tim Hickey at First Citizen Bank that the IDA has a completed appraisal on the furniture at the Palmer House

20. Next Meeting – Wednesday, August 6, 2014

21. Adjourned – R. Kelsey adjourned the meeting at 7:08p.m. (T. Monell/D. Daniels)

Attachments:

June DRAFT Minutes

FOIL Request & Acknowledgement

June Financial Reports

2nd quarter 2014 Financial Reports

OHRV – New England Rail Excursions Fund Raiser Request

Owego Associates Modification Agreement

E-Site Development Timeline

Regional Council Support letter - Edgemere Project

Town of Berkshire –Description & Map of land to convey

Visscher Appraisal – Palmer House

EXECUTIVE SESSION MEETING MINUTES
Tioga County Industrial Development Agency

Date: 7/2/2014

Time: 6:53 p.m.

On a motion of Board Member Daniels, seconded by Board Member Monell, the Board of Directors went into Executive Session to discuss:

1. Personnel issues
2. Agreements
3. Loans

Motion to Exit Executive Session at 7:07 p.m.