

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

**Tuesday, July 30, 2019
OBD Offices, 301 N. Union street
3rd Floor Conference room
Olean, NY
11:15 a.m.**

Roll Call: -Taken-

Members

Present:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Brent Driscoll
Mr. James Snyder
Mr. Michael Wimer

Excused: *(Work related)*

Mr. Vergilio Giardini
Mr. John Stahley

CCIDA Staff/Counsel:

Mr. Corey R. Wiktor, Executive Director CCIDA

Mr. George Cregg, Jr. - Legal Counsel, Hodgson Russ
Mr. Robert McLaughlin- Legal Counsel, Hodgson Russ

Guests:

Mrs. Crystal Abers – *Economic Development Planning & Tourism*

Mr. John Thomas – *The Villager, Newspaper*
Mr. Richard Miller – *Olean Times Herald*
Mr. Padlo – *Allegany Resident-Solar thoughts*

Chairman, Thomas Buffamante called the meeting to order at 11:15 a.m.

A roll call of the Board of Directors of the CCIDA was taken Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer were Present. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings.

APPROVAL OF MINUTES:

A Motion was made by Brent Driscoll with a second by Joe Snyder to accept the June 11, 2019 CCIDA Board Meeting Minutes as presented to the CCIDA Board. **Motion Carried**

***Application – SNAP Lease/Sales Tax Abatement/Small Manufacturer’s:**

House of Steel: Over the past few months, we have been working on the IDA’s third, “*Small Manufacture’s SNAP Lease Project*”, with William (Bill) Heim, owner and operator of House of Steel, Inc. Bill is looking to invest in his current metal/steel shop and business located on US Route 219 in Ashford, New York.

The House of Steel is a full-service retailer of steel roofing and siding as well as all other accessories needed to construct timber column buildings. House of Steel serves homeowners, businesses and farmers with steel roofing, siding and framing materials. Bill is looking to purchase various items to help grow his business that include a fork-lift, metal brakes, new racking system, general office improvements, various tools to support the manufacturing of metal related products to be made on-site, making his business more competitive and allowing his employees to further manufacturer products to be sold at the business. Total investment of this proposed project is \$175,000.

A Motion was made by Brent Driscoll, seconded by Joseph Higgins to approve the SNAP Lease Application for Sales Tax Abatement as submitted. A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

Amendments (Proposed) to the CCIDA’s Uniform Tax Exemption Policy (UTEP) relating to the Agency’s Adaptive Reuse Policy

-CCIDA Adaptive Reuse Policy: In late 2012, the CCIDA adopted its “Adaptive Reuse Policy” to help the redevelopment of various mixed use (vacant properties) within Cattaraugus County. This program has been quite successful with over eight (8) projects induced for a net investment of over \$15,000,000 within the County!

We are proposing some minor changes to the schedule of Real Property Tax abatements (on value added) to the Agency’s current Policy to better mirror the rise in costs and rise in overall redevelopment costs associated with this beneficial IDA Program.

The IDA’s top priority is smart growth and encouraging adaptive reuse projects. The additional costs related to this type of projects is considerable higher than new builds.

We are currently abating 75% for years 1-5 and 50% for years 6-10. We are proposing beefing up years 1-5 to 100% of value added, 75% for years 6-8 and 50% for years 9-10. We will still keep the program to a 10-year abatement. These proposed changes will bring us more in line with other IDA's in Chautauqua County and Erie County.

We propose to hold a public hearing and advise all taxing jurisdictions. This will give each taxing entity an opportunity for input prior to the CCIDA taking any further action.

A Motion was made by Joseph Snyder, seconded by Joseph Higgins to move forward with the suggested changes and set up a public hearing. A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

RESOLUTION:

A Motion was made by James Snyder, Jr., seconded by Joseph Higgins, **RESOLUTION AUTHORIZING A PUBLIC HEARING REGARDING THE PROPOSED REVISION TO COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY'S UNIFORM TOAX EXEMPTION POLICY INCLUDING THE ADAPTIVE REUSE POLICY.** A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

**For the Record, a Public Hearing has been set up for Tuesday October 15th at 9:00 AM at the Olean City Hall, Mayor's Conference Room.*

Resolution from Prior Application/Project that is in Process

-Kreinheder Properties, LLC. /S & W Company, LLC.:

-On July 9th via e-mail, Peter Kreinheder from Kreinheder Properties LLC/S&W Company LLC asked the CCIDA for an extension of their sales tax letter for the Little Valley location. Their current extension expires on July 17, 2019 and they are asking for the CCIDA Board's approval to extend the sales tax letter until September 2020 due to weather issues this Spring and other construction delays in the finishing of his project.

RESOLUTION:

A Motion was made by Brent Driscoll, seconded by James Snyder, Jr, **RESOLUTION AUTHORIZING THE EXECUTION BY COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MODIFICATION AGREEMENT IN CONNECTION WITH THE KREINHEDER PROPERTIES, LLC AND S&W COMPANY, LLC PROJECT.** A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

Discussion Item: CCIDA's Uniform Tax Exemption Policy (UTEP) relating to Solar PILOT's/Projects

-CCIDA Energy (Solar) Policy: Since 2017 the CCIDA has induced five (5) commercial solar projects within the County for an overall net investment of over \$44,000,000. Over the past few months, we have been researching and discussing various amendments to the current PILOT schedule for solar related projects that the IDA induces.

With at least 5 (new) proposed solar projects on the horizon, timing is critical for the Agency to make any proposed amendments to the current Policy if it wishes. These proposed projects include the towns of Franklinville, Machias, West Valley, Ellicottville, and Portville.

The CCIDA is currently using the Wind PILOT at \$5,000/megawatt. Corey has done extensive research and the range of PILOT dollars are from \$1,000 - \$9,000 / megawatt for a term of 15-20-25 years. Corey is proposing to the CCIDA Board extending from at 15-year PILOT to a possible 25-year PILOT, with a review at 5-10 years.

A guest attended the IDA Meeting to offer some of his personal thoughts regarding commercial solar projects. Mr. Padlo, who resides and owns land in Allegany, NY spoke in regards to Solar Projects in our area. Mr. Padlo discussed his concerns in regards to what happens at the end of the project. When the panels have outlived their normal life span, who is responsible in removing all the panels and anchoring materials left behind? He also advised the CCIDA Board to warn land owners to be very careful on the lease/leaser agreement this is required to be signed. Mr. Padlo said if anyone has any questions to please give him a call and he would be happy to answer them to the best of his ability. Mr. Padlo has put a lot of time and research into Solar Projects and would be happy to discuss his findings with land owners.

Mr. Wiktors placed a conference call to Dan Martonis from the Real Property office in Little Valley, NY. The main topic was how the Solar Projects will be assessed. Some examples Mr. Martonis gave were Green County on a 7.2-megawatt project will get \$8,686/megawatt for the County and \$8,000 for the school with a \$1,500 scholarship and will include a 2% per year escalator. In Fulton County they are requesting \$7,000/megawatt, and Washington County they are getting \$6,708 per mega watt with a \$110.00/year increase. The average PILOT is 15 years with a 5-10 year review up to 25-year PILOTS. Each County that was researched was handling the assessments of the Solar Projects in their County differently, with most mainly based on a per megawatt basis. These Solar Projects would be wholly exempt unless they have a PILOT associated with them.

New York State has exempt Solar Projects unless the Towns, Schools and County opt out of the 487 law. In anticipation of these types of projects most of Cattaraugus County has taken the opportunity to opt out of 487. Mr. Wiktors did mention that Solean and Soleanwest took their assessment to court and won. These projects were assessed at \$2.5 million per megawatt for full assessment. When the court made the final decision, they were assessed at \$178,000 for land and \$249,000 for the project. This makes quite a difference when figuring your operating costs.

The majority of these projects will leave after their PILOTS run out because they can't afford taxes at full assessment. With our Solar PILOTS currently being at 15 years we propose to increase the number of years to 25-40 years to maintain stability. The investment is much smaller for Solar than Wind, if we put in place a 25-year lockdown agreement with PILOT Mortgage we would guarantee stability for the all taxing jurisdictions.

A Motion was made by James Snyder, seconded by Mike Wimer to put a six (6) month moratorium on accepting Solar Applications until we sort through our policy changes. A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

New Policy for the CCIDA to Adopt

-Retaliatory Action (Whistleblower) Policy:

Mr. Wiktor advised the CCIDA Board that we needed to adopt a new Whistleblower Policy to stay consistent with the PAAA regulations relating to the Retaliatory Policy. The NYS Comptroller's office recently requested that we post the Whistleblower Policy to the CCIDA website.

RESOLUTION:

A **Motion** was made by Brent Driscoll, seconded by Joseph Higgins **RESOLUTION ADOPTING THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY'S RETALIATORY ACTION (WHISTLEBLOWER) POLICY**. A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

-FINANCIAL REPORT:

-June Income was \$57,840.00 (\$57,500.00 total) from HK Olean Hotel, LLC and \$340.00 from sales tax letters for Win Sum Ski Corp. Mr. Buffamante stated that we should be able to put in the amount that is to be received in February because we have set up an accruals accounting system, adjustments will be made to reflect the Chairman's advice.

-Corey Wiktor provided the CCIDA Board the Agencies Asset Accounts through June 30, 2019. Corey stated that he has the supporting collateral documents if any Board member would like to review them.

-Win-Ski Corp. 2019 Project closed on July 26th. In addition, we are working on documents for the purpose of closing on two (2) projects at this time. We hope to have them closed within the 3rd Quarter of 2019.

-It looks like we have a possible two (2) applications that should be coming in for our September meeting.

A **Motion** was made by James Snyder, seconded by Brent Driscoll to approve the Financial Report for **June 2019** as prepared. A Roll Call vote was taken, Mr. Buffamante, Mr. Driscoll, Mr. Higgins, Mr. Snyder and Mr. Wimer voted yes. Mr. Giardini, and Mr. Stahley were excused for business/work related meetings. **Motion Carried**

*Executive Directors Reports:

-Internal (IDA Meetings/Discussions):

- ✓ Follow up discussion on the proposed Southern Tier Angel Fund from the June 2019 IDA Board Meeting. We have the answers regarding the Board's question on Admin. Fees for the associated Fund.
- ✓ Met with a commercial realtor who is representing a client looking for 50,000 sq. foot building for purposes of a light manufacturing facility.

- ✓ Met with a local sheet metal Company who is looking at their current operations within the County and is considering a small investment into their facility.
- ✓ Met with Pete Andrews to discuss a project to update in-house and multimedia photos and videos of past IDA projects. The IDA will look into purchasing a Smart TV for the Office for purposes of streaming at the Agency's Board meetings.
- ✓ Attended the Annual GOACC Clam Bake in Olean.
- ✓ Met with Mark Storch, from Storch Development in regards to a proposed project in South Dayton. More information to come.
- ✓ Attended WRC Loan Committee meeting for purposes of financing a project in Cattaraugus County. Loan Approved, project is going forward!
- ✓ Met with Dave Mingoia with Amherst IDA to discuss topics and projects.
- ✓ Conference Call: US-Mexico-Canada Trade Agreement with Ambassador CJ Mahoney. Call was facilitated by Buffalo Niagara Partnership.
- ✓ Met with Mike Wimer and Richard Schechter relating to the Franklinville Branch for CCB and possible redevelopment ideas.
- ✓ Met with The NorthStar Company in Buffalo. Discussing an Olean, NY location for their call center.
- ✓ Attended the Open interviews for The NorthStar Company in Olean on July 9th and 10th. Over 50 people attended and were interviewed. We are happy to report that The NorthStar Group will be opening an Olean location in 90 Days. They are looking to hire roughly 20 people to start, and assuming things go well, that number of hires could greatly soar. More to follow.
- ✓ Attended SBDC Event at JCC.
- ✓ Met with Holger Ekanger, JCC Vice President. Discussed many ideas and strategies relating to workforce development.
- ✓ Conference call meeting C & S Wholesale: Had a conference call with the Leadership of C & S Wholesalers who recently acquired Olean Wholesale. The Company is staying in the current Olean Location, and will retain roughly 85 jobs. Hopes of growing employment and services in the future.
- ✓ Attended Cattaraugus County Economic Development Team Meetings in June and July.
- ✓ Attended CCBDC Board Meeting in June relating to small business loans.
- ✓ Attended the Monthly Board meetings for Olean Business Development. Corp.
- ✓ Lunch meeting set up with John Sayegh, with OBDC
- ✓ Met with FDIC Bank Examiner to discuss County economic development programs, challenges and opportunities that we see in rural Counties.

- ✓ Participated in a Webinar hosted by Buffalo Niagara Partnership on the 2019 NYS Budget and how its passing affects economic development programs within the State.
- ✓ Meeting with Omni Navitas on a proposed solar project in the Town of Portville. A possible application will be submitted to the Agency in the Fall of 2019.
- ✓ Met with Courtney C. from the SBDC in Ellicottville to discuss their small business programs and how they can help and assist.
- ✓ Met with Paul Leone from WNY IDA's to discuss a local WNY Company who is considering branching out, and may be looking at building space in Cattaraugus County.
- ✓ Attended the Annual Dinner/Meeting of the Cattaraugus County Planning Board in South Dayton on July 24th.
- ✓ Attended the Homeriade Ribbon Cutting in Olean.
- ✓ Met with Brain McFadden, Executive Director of the Ellicottville Chamber for an update meeting.
- ✓ Met with Hamburg IDA Director Sean Doyle to discuss a number of topics to include IDA's and WNY economic development.
- ✓ Met with Ed Graber from M & T Bank to discuss Companies and possible projects within Cattaraugus County.
- ✓ Conference call on Wind Energy and possible project.
- ✓ Attending Southern Tier Leadership Summit on August 8 at St. Bonaventure University. If any Board member would like a ticket, please contact us.
- ✓ Met and discussed a few possible project sites with Invest Buffalo Niagara. Also have been working on ideas and thoughts for a meeting amongst stakeholders with IBN and the City of Olean, relating to possible redevelopment ideas for the Olean Center Mall. Meeting to be held in August.
- ✓ Attending NYSEDC August Board meeting on August 21st at Noon.
- ✓ Possible application at our September Board Meeting relating to a very large Adaptive Reuse Project within the County.
- ✓ Working with a local manufacturer and the WIB on a possible on-site job fair for the Company with hopes of hiring 15/20 new employees. More to come on this.
- ✓ Drafted various letters of support for the 2019 CFA's.
- ✓ Met with a local business in Ellicottville who is considering a decent size investment project. Meeting on July 29th. More to follow on this.
- ✓ The new Hotel in Allegany is started and is coming along nicely. This will be a tremendous asset to the surrounding colleges and will add to the rooms that will be available for rent in this area.

-External (Points of Interest relating to the CCIDA):

- ✓ **DRI Presentation for the Town of Ellicottville:** Presented the DRI Application to Empire State Development Officials on July 8th relating to the submission of their DRI Application to the State. Hope to hear this Fall on it.
- ✓ **Olean Times Herald Article:** *“Field of Dreams in Allegany preparing for August Opening”* The first phase is completed and being prepared for move in. The Grand opening is to be held on August 4th at noon. Have already had discussions in regards to Phase II for the Field of Dreams. There have been several articles in the Olean Times Herald in regards to patients moving in.
- ✓ **Olean Times Herald Article:** *“Ribbon Cutting held for the third solar farm in Olean, 17- acre Homeridae”* This solar farm will help the Olean taxpayers with about \$100,000 in annual energy credits stated Olean Mayor Bill Aiello.
- ✓ **Olean Times Herald Article:** *“Tri-County Arts Council’s new home stages ribbon-cutting ceremony”* This location is at 110 W. State Street which was an CCIDA Adaptive Reuse project done by Jeff Belt. Jeff’s second project is looking to start later this year as well.
- ✓ **Olean Times Herald Article:** *“Manny Hanny proposal receives backing from Olean Leadership”*. Very good news! Fingers crossed on this very important building within the City of Olean.
- ✓ **NorthStar Flyer:** Cattaraugus Career Center held a hiring event on July 9 & 10th. The business did open interviews both days and had very promising leads in regards to new employees from our area.
- ✓ **The Villager Article:** *“EBC hits Milestone, bottling line in Little Valley fills two Million bottles in less than a year.”* This is very exciting news for one of the CCIDA Projects! Congratulations, EBC!
- ✓ **Echo Victor Lima:** *“EBC’s new brew to support WNY’s war heroes”*. Yet another exciting step for EBC in Western New York.
- ✓ **Olean Times Herald Article:** *“MJ Painting plans second location near Pittsburgh, will also expand locally.”* Very exciting news for one of our CCIDA Projects. Mike John continues to grow and expand. Possible development on his newly acquired 9-acre site in Olean as well.
- ✓ **Olean Times Herald Article:** *“Unemployment Rates by County, New York State for May 2019.”* Review of the most recent Unemployment rates in the County. The unemployment rate in the County continues to trend downward.
- ✓ **Buffalo News Article:** *“Attracting, keeping workers tops WNY businesses concerns.”* Always a “hot topic”, and something we keep trying to work and improve on.
- ✓ **Advocacy Update Article:** *“End of 2019 NYS Legislative session.”* Review of some of the highlights of the 2019 Budget in NYS.
- ✓ **Eagle 1 Photography:** Project Listing provided for Eagle 1 Photography to shoot updated photos of current and past projects.
- ✓ **CFA Funding:** Support letter done for the City of Olean for CFA funding relating to a possible project that could help Total Piping Solutions. This would be great news for a local employer looking to grow and invest.

- ✓ **Buffalo Business First Article:** *“Olean General preps for pharmacy upgrades”*.
- ✓ **Government Affairs:** *“Insider’s look at 2019 NYS Legislative Session”*.
- ✓ **Billings Sheet Metal:** July 2019 Monthly Market Bulletin for Billings Sheet Metal. Highlighting recent legislation on steel tariffs.
- ✓ **Business First Article:** Economic Development Agencies Rankings by the dollar value of Projects completed in 2018. The CCIDA rated 8th on this list with \$28.09 million in projects in 2018.

Adjournment:

A Motion was made by Brent Driscoll seconded by Joseph Higgins to adjourn the meeting at 1:19 p.m. All in Favor – Motion Carried.

*** Next CCIDA Board of Directors Meeting: Tuesday September 10, at 11:15 A.M.
at the CCIDA Offices in Ellicottville, New York**