

# **COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY**

## **BOARD MEETING MINUTES**

**Tuesday, June 5, 2018  
CCIDA Offices  
Ellicottville, NY  
11: 15 a.m.**

**Roll Call:**     -Taken-

### **Members**

#### **Present:**

Mr. Thomas Buffamante -Chairman  
Mr. Brent Driscoll  
Mr. Joe Snyder  
Mr. Vergilio Giardini

#### **Excused:**

Mr. Joseph Higgins

#### **CCIDA Staff:**

Mr. Corey R. Wiktor, Executive Director  
Mr. George Cregg, Jr., CCIDA Legal Counsel  
Mr. Robert McLaughlin, Hodgson/Russ

#### **Presenters/Guests:**

Mr. Richard Zink – *Southern Tier West*

Mr. John Thomas – *The Villager, Newspaper*

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; A Roll Call vote was taken with, Mr. Driscoll, Mr. Giardini, Mr. Snyder and Mr. Buffamante were present. Mr. Higgins were excused from the meeting for business purposes.

### **APPROVAL OF MINUTES:**

**A Motion** was made by Brent Driscoll, with a second by James Snyder to accept the April 24, 2018 CCIDA Board Meeting Minutes as presented to the CCIDA Board. **Motion Carried**

### **Presentation by Richard Zink – Southern Tier West**

Mr. Wiktor first introduced Mr. Richard Zink from Southern Tier West who did a presentation in regards to an Angel Fund that is being proposed in Chaqt. & Cattaraugus and Allegany Counties. Mr. Zink has been spearheading the creation of an Angel Fund in this three County area over the past several months. Mr. Zink stated that involvement is very important and he stated that there is a need to establish this type of investing fund.

Mr. Wiktor also stated that over the past several months, STW has begun researching and looking to create an “Angel Investor” fund between Chaqt., Cattaraugus & Allegany Counties. Mr. Wiktor had also mentioned that this type of fund is definitely needed within the Southern tier Counties especially, with new start-up businesses. Handouts were provided to each Board member for additional information.

Southern Tier West is looking at creating a funds in the range of \$500,000 - \$1M, ideally investors going in at the \$20,000 - \$50,000 range. The fund will be capitalized through the sale of membership units at \$25,000 per unit to individual and institutional accredited investors only. There is an Angel fund in the Buffalo area however, they don't usually come down to the southern tier.

To be considered for investment, businesses will need to demonstrate the potential for sustainable and profitable growth as well as the ability to provide a fair return to The fund and its Members. Mr. Wiktor stated that one of the projects that we are currently considering is a small start-up that has the potential of high growth, this Angel Fund would be a perfect for this type of project. The Company is looking for \$150,000 - \$200,000 for working capital, product, and equipment lease space in the Ashford Office Complex. This would be another avenue to be able to assist small start-up businesses.

Mr. Thomas Buffamante asked if the IDA would be investing in this Angel Fund? Mr. George Cregg, Jr. stated that if we did want to invest in this Fund it would be best to use the CCCRC to make this investment and not use the CCIDA.

Mr. Wiktor stated that he is looking at the Angel Fund creation to be used as another avenue to grow our business into the future. This fund will be funded with a mixture of private and individual sector investment. More discussions will be had before any commitments are considered into the IDA/CRC venturing into this arena of funding, via the creation of the Angel Investor fund.

**\*Resolutions from Prior Applications/Projects that are in Process\***

**-Win-Sum Ski Corp. -** A Public Hearing for this proposed project (April 24, 2018 Application) was conducted at **9:00 a.m. on May 16, 2018** at the CCIDA Offices in Ellicottville, NY. Minutes of the Public Hearing were included in your packets for your review.

For the record, there was no one in attendance at this Public Hearing, nor did the Agency receive any comments prior to or after the Public Hearing in regards to this proposed project. Win-Sum ski Corp. total project cost/investment will be; **\$3,100,000 (+,-)**. Win Sum Ski Corp. has amended their application and added an additional \$200,000 in new equipment relating to the tubing park. They are installing a magic carpet which will move customers up the hill to enjoy the slide back down.

**RESOLUTION:**

**A Motion** was made by Brent Driscoll, seconded by James Snyder, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR WIN-SUM SKI COPR. (THE "COMPANY")**. A Roll Call vote was taken with, Mr. Driscoll, Mr. Giardini , Mr. Snyder and Mr. Buffamante voting yes. Mr. Higgins, was excused. **Motion Carried.** *(Mr. Buffamante noted that his firm has done work for Win-Sum Ski Corp. however, they have no financial interest or direct involvement in this proposed project.)*

**-North Delaware Holdings LLC/Stillhouse of Buffalo, LLC –** Mr. William Bursee (owner) has asked the Agency to authorize a refinancing request of his project as he required additional funds for completion of this project. They are looking to add an additional \$250,000 to their current mortgage from Cattaraugus County Bank. The original mortgage was \$750,000 and will now be \$1M.

**RESOLUTION:**

**A Motion** was made by Brent Driscoll, seconded by James Snyder, **RESOLUTION AUTHORIZING THE EXECUTION BY THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH THE NORTH DELAWARE HOLDINGS LLC AND STILLHOUSE OF BUFFALO, LLC PROJECT**. A Roll Call vote was taken with, Mr. Driscoll, Mr. Giardini , Mr. Snyder and Mr. Buffamante voting yes. Mr. Higgins, was excused. **Motion Carried.**



### **\*CCIDA Active Project Update:**

#### **\*Steelbound Brewery**

**Steelbound Brewery.** Steelbound Brewery & Distillery, the 5,000 square foot building at 6600 Route 219 in Ellicottville (across from Tim Horton's), is now OPEN! Steelbound will offer brews, signature drinks and fresh food. After some name confusion within the industry, the restaurant/bar changed its former name of *Stillhouse to Steelbound*. It's owned by William Bursee, a retired building contractor who now lives in Springville.

The new brewery sits on about 2 acres, with plenty of space for parking. The restaurant portion of the building is two floors, each with its own bar, and has a capacity of 307 guests. The brewing equipment is located toward the back of the building.

Steelbound, which has been brewed at the current location for the past couple of months, is currently on tap at many area bars and restaurants, from WNY to Rochester to Syracuse. Tim Hooker of Springville, a former ELA teacher and longtime craft beer brewer, directs the brewing operation.

The flagship location in Ellicottville will offer a variety of beers, from stouts to ales. Bursee said their most popular brew is the Last Minute IPA, which he describes as a juicy, New England style. Steelbound will also offer signature drinks made with their own simple syrups, making them truly one-of-a-kind. In addition to beverages, Steelbound will feature a dinner menu.

As far as future plans go, Bursee hopes to build a large patio in front, overlooking Route 219. Since he grew up in Buffalo, he likes the idea of the patio looking out onto all the activity going on, instead of being behind the building. Bursee also plans to feature live music, and there is a large stage on the first floor of the restaurant to feature musicians. He also talked of possibly organizing tours in the future that involved other breweries/distilleries in the area.

### **PROPOSED SMALL BUSINESS SALES TAX PROGRAM PROJECT:**

Mr. Wiktor next discussed with the Board the new Snap Lease Program that Mr. George Cregg and he have been working on in regards to helping small projects in the \$100,000 - \$150,000 range. There is a need to be able to assist projects in this range and we currently do not have any way to assist these type of projects due to structured costs outweighing the benefits. We currently have a client that would like to rent space for light manufacturing and monitoring of water treatment plants.

Opferbeck Consulting, Inc. is looking at renting space in the Ashford Office Complex from Krog Corp. to set up an office with light manufacturing at this location. He is seeking NYS Sales tax abatement from the IDA to help offset his startup costs. To date, George and Corey are working on a new application to be able to fulfill this request, due to some changes in IDA Reform Legislation that was passed in 2013. Mr. Wiktor did provide to each Board member a copy of Jason's business plan, and reviewed the proposed project in detail.

For future use of this Snap lease program, the application will be received prior to our Board meeting and presented to the full CCIDA Board, like any other application for discussion and the Boards Final approval.

Corey Wiktor and Mr. George Cregg have been working on developing this Snap Lease Program for a few months. Currently, Mr. Cregg is working on providing the Snap Lease application. Mr. Wiktor plans to bring a list of the eligibility criteria to the CCIDA Board at the July meeting, in order for a client to be considered for this program. Mr. Buffamante suggested that we charge our regular 1% fee for these smaller projects.

This proposed program will allow small manufactures' the ability to save on some cost when purchasing items relating to an investment within the County. We are happy to continue to develop cost effective ways to better help our employers continue to invest in their businesses here in the County.

**A Motion** was made by Thomas Buffamante, seconded by Brent Driscoll to approve the pilot snap lease program being offered to OCI (Opferbeck Consulting Inc.). OCI will be hiring two (2) employees and will look to lease 10,000 sq. ft. of space from Krog Corp. in the Ashford Office Complex. This project will be in the \$100,000 range with sales tax benefits only being offered. A Roll Call vote was taken with Mr. Buffamante, Mr. Driscoll, Mr. Giardini and Mr. Snyder voting Yes. Mr. Higgins was excused. **Motion Carried**

**-A Motion** was made by Brent Driscoll, seconded by Thomas Buffamante to suspend the current CCIDA meeting and go into a Cattaraugus County Capital Resource Corp. meeting. All in favor – **Motion Carried**

#### **\*JCC Development Corp. Refunding – CCCRC**

A Public Hearing for this project (April 24, 2018 Application) was conducted at 10:00 a.m. on May 29, 2018 at the Olean City Municipal Building, 101 East State Street, Conference room #119. Minutes of the public hearing were included in your packets for your review. For the record, no one was in attendance at this Public Hearing.

#### **RESOLUTIONS:**

**A Motion** was made by Brent Driscoll, seconded by Virgilio Giardini, **RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF JCC DEVELOPMENT CORP. IS A "TYPE II ACTION" AND THAT NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Giardini, Mr. Snyder and Mr. Buffamante voting yes. Mr. Higgins, was excused. **Motion Carried.**

**A Motion** was made by Brent Driscoll, seconded by James Snyder, **RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF CATTARAUGUS CAPITAL RESOURCE CORPORATION OF ITS REVENUE BONDS (JCC DEVELOPMENT CORP. REFUNDING PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,000,000 AND THE EXECUTION OF RELATED DOCUMENTS.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Giardini, Mr. Snyder and Mr. Buffamante voting yes. Mr. Higgins, was excused. **Motion Carried.**

**An anticipated closing date for this Bond transaction is June 28<sup>th</sup> in Buffalo, NY at Hodgson Russ.**

**-A Motion** was made by Joseph Snyder, seconded by Brent Driscoll to end the CCCRC meeting and go back into the CCIDA Board. meeting. All in favor – **Motion Carried**



## **FINANCIAL REPORT:**

A Motion was made by James Snyder, seconded by Vergilio Giardini to approve the Financial Reports for **April and May 2018** as prepared - **Motion Carried**

As per the suggestion from the Audit Committee a revised December 2017 Operating Statement has been prepared to include Journal Entries received from the 2017 Audit. This revised Operating Statement will now coincide with the final 2017 Annual Report.

✓ **April Income: \$1,114.00**

-HoliMont Inc. – Sales Tax Letters - **\$1,114**

✓ **May Income: \$173,250.00**

-Win Sum Ski Corp. – Application Fee **\$1,500**

-Jamestown Community College – Bond Application Fee – *CCCRC Income* **\$1,750**

-Olean Manor Inc. – Project Closing Fee - **\$170,000**

✓ **Other Information:** We are working with a few potential businesses who may be ready to submit Applications to the IDA over the next month or so.

## **\*Executive Directors Report:**

### **-Internal (IDA Meetings/Discussions):**

- ✓ Met with Register Graphics in Randolph to have them design Marketing signs to be placed at completed and in progress projects in the Cattaraugus County area, also discussed a potential project with them.
- ✓ Cattaraugus County Present Local Resources for your Business. We held a business information event on May 31<sup>st</sup> at JCC with all of the County, Regional, State and Federal Economic Development partners to give perspective businesses an overview of the services, programs and financing options that we have to offer.
- ✓ Meeting with Jeff Belt, Larry Sorokes & Tom Kucharski (IBN) to discuss the Olean Brownfield Marketing of properties that are available in Cattaraugus County.
- ✓ Met with IBN for a few tours of local manufactures to highlight manufacturing in Cattaraugus County in conjunction with Economic Development week in May.
- ✓ Had a meeting Horace Gioia to discuss area projects and referrals.
- ✓ Met with Richard Dixon and Mark Geise from Chautauqua County IDA to discuss business climate, trends, opportunities within our respective Counties.

- ✓ Met with Greg Sehr and a business owner in regards to a new startup operation in Cattaraugus County. Many meetings and discussions had, more to follow.
- ✓ Attended a Job Fair at JCC Olean Campus to meet with a plethora of area Companies to discuss their workforce needs and opportunities.
- ✓ Attended multiple meetings in regards to the proposed Angel Fund that we are currently working its creation.
- ✓ Held a conference call with NYSEDC and Acadia Energy in regards to a possible roll out project.
- ✓ Met with a local commercial property owner in regards to a possible project on his current real estate in the County.
- ✓ Met with a few Legislators in regards to an area business that is looking to expand in the near future. Multiple site tours have been conducted, with more to follow.
- ✓ Met with John Stahley with D/R-Siemens to discuss current updates at their plant in Olean.
- ✓ Attended BDC Board meetings to discuss new business loans that we will be making.
- ✓ Met with Mike G. at Kinley Construction to discuss Olean Manor project and how the sales tax abatement forms will work. Also discussed future potential projects.
- ✓ Met with Dick Shaner at The Martin Group in regards to some possible marketing ideas for the CCIDA going forward. More information to follow in regards to this.
- ✓ Met with Chris Napoleon with NES Bearings to get an update on how his business in Olean is doing.
- ✓ Attended the monthly Team Meetings.
- ✓ Met with John Cappellino with the ECIDA to discuss our respective railroads, etc.
- ✓ Met with a local developer in regards to a possible commercial project in Ellicottville. More details to follow as the developer finalizes the purchase.
- ✓ Met with a local Attorney who is representing a developer who is considering a large tourism related project in the Ellicottville Area. More to follow as well, as their development team finalizes their proposed plans.
- ✓ Met with NYSBDC about their loan programs and how they can apply to businesses here in Cattaraugus County.
- ✓ Met with Joanne Campanga and Paul Leone in regards to a possible mid-size proposed distribution center which we are trying to land here in the County.
- ✓ Met with iEvolve Technology in regards to our new website, to review updates to it.



- ✓ Met with an Erie County manufacturer who is considering a possible move to Cattaraugus County with respect to a division of their business. Will be staying on this in hopes of bringing this to fruition.
- ✓ Met with Matt Hubacher from IBN in regards to having them create some marketing information and “Why Cattaraugus County”, information that highlights what we can offer to perspective businesses within and who may be looking to bring their business to the County. \*Will have some drafts at the July Board Meeting.
- ✓ CCIDA & ESD Sponsored CFA Training at Holiday Valley on May 30<sup>th</sup> for this upcoming round of CFA’s.
- ✓ I have 3 meetings set up with area manufacturers who are all considering possible projects this year.

Have made a number of calls and emails to businesses to set up future meetings, for visits and how the IDA may be able to help and assist with potential investment

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

- ✓ **Buffalo News Article:** dated: 5/30/18 “*Low Income Areas seek boost from new federal tax incentive*”. A new program that could help Olean and Little Valley with various Federal Tax incentives, etc.
- ✓ **Olean Times Herald Article:** dated: 5/11/18 by: Bob Clark “*Tax Credits for Manny Hanny get push from Schumer.*” Potential good news for a key project in Olean.
- ✓ **Olean Times Herald Article:** dated 5/13/18 by: Rick Miller “*Officials seeking to buy closed AVX Olean Advanced Products Plant*”. We are still working on this possible project.
- ✓ **Zoar Valley Grand Opening:** June 6, 2018 11:00 a.m. will be the Grand Opening of the Buffalo Psychiatric Center/Zoar Valley Clinic. A recent IDA project, very good news!
- ✓ **YEA:** May 30<sup>th</sup> at 6:00 p.m. Young Entrepreneurs Academy commencement ceremony at St. Bonaventure University. Planning for the second class has already begun!
- ✓ **Buffalo Business First:** dated: 5/4/18 “*Long an Olean anchor, Cutco Corp. keeps growing*” James Stitt, Jr., Cutco Corp. CEO stated that his company has become innovative in the way it recruits contractors for direct sales of their knives. Excellent article highlighting this amazing Company.
- ✓ **Olean Times Herald Article:** dated 5/7/18 by: Bob Clark “*Rakuten readies third Olean Warehouse in Dal-Tile space*”. Very good news with their growth and area expansion in Olean.
- ✓ **SBU News Article:** “*Bonas fall ‘18 freshman class largest in a decade*”. This is very good news, coming off a solid 2017 Freshmen class as well.
- ✓ **The Villager: -** dated: 5/24/18 – “*HV Breaking Records*” Holiday Valley Aerial Park is the largest in New York and the third largest in the United States. This also encompasses a recent CCIDA Project/Application.
- ✓ **Clam Bake:** 50<sup>th</sup> Chamber Clambake to be held on Wednesday, June 13<sup>th</sup> from 3:30 to 8:30 p.m. Rain or Shine at the downtown Olean – JCC Campus.
- ✓ **Music Festival 2018:** Ellicottville Summer Music Festival 2018 to be held at Holiday Valley on June 29 – July 1<sup>st</sup> the CCIDA and Hodgson/Russ will be splitting the cost of this event. If any Board Member would like tickets for a special event please let us know.
- ✓ **Buffalo Business First Article:** dated: 5/16/18 “*Mike Bartlett gets his long overdue honor.*” A very fitting tribute to a long time IDA Director who dedicated his life to economic development.
- ✓ **Congressman Reed’s 2018 Manufacturing Summit:** This event will be held at Alfred State College on Friday, July 20<sup>th</sup>. I will be attending this event.
- ✓ **2017-2018 Annual Report:** Buffalo Niagara Partnership to present Annual report to Members on June 21, 2018.



- ✓ **Knowledge@Wharton**: dated: 5/9/18 "*The Headquarters Checklist: How Do Companies Pick a Location?*". A very interesting article to consider!

**Adjournment:**

A Motion was made by Brent Driscoll, seconded by James Snyder at 1:15 p.m.

**-The next CCIDA Board of Directors meeting will be July 24<sup>th</sup> at 11:15 a.m. at the Olean BDC Office in Olean, New York**