

COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY

BOARD MEETING MINUTES

**Thursday March 13, 2018
CCIDA Offices
9 E. Washington Street, Ellicottville, NY
11: 15 a.m.**

Roll Call: -Taken-

Members

Present:

Mr. Thomas Buffamante -Chairman
Mr. Joseph Higgins
Mr. Brent Driscoll
Mr. Greg Fitzpatrick
Mr. Joe Snyder

Excused:

Mr. Vergilio Giardini
Mr. Michael Wimer

CCIDA Staff:

Mr. Corey R. Wiktor, Executive Director

Mr. George Cregg, Jr., CCIDA Legal Counsel

Presenters/Guests:

Mr. Douglas Studd – *West Valley Inn, LLC*

Rick Miller – *Olean Times Herald, Newspaper*
John Thomas – *The Villager, Newspaper*

Crystal Abers – *Cattaraugus County Economic Dev. Planning & Tourism*

Chairman Thomas Buffamante called the meeting to order at 11:16 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. Fitzpatrick, Mr. Higgins, and Mr. Snyder & Mr. Buffamante were present. Mr. Wimer and Mr. Giardini were excused from the meeting for business purposes.

APPROVAL OF MINUTES:

A Motion was made by Brent Driscoll, with a second by Joseph Higgins to accept the February 1, 2018 CCIDA Board Meeting Minutes as presented to the CCIDA Board. **Motion Carried**

2017 Audit Review/Discussion:

Mr. Wiktor next introduced Denise Veloski from the auditing firm *Johnson, Mackowiak & Associates, LLP* from Fredonia, NY.

Mr. Buffamante stated that the Audit Committee met with Denise Veloski to review and discuss the 2017 Annual Audit on Friday March 9, 2018 via conference call. After much discussion minor changes were made to the 2017 Audit. Mr. Buffamante stated that the Audit Committee makes the recommendation to accept the Annual Audit, after presentation by Denise Veloski to the CCIDA Board, seconded by Mr. Driscoll.

Denise Veloski stated that the Agency's assets exceeded its liabilities by \$1,185,862 for the 2017 fiscal year. Unrestricted net position of \$938,240 represents the portion available to maintain the Agency's continuing obligations. Agency revenue for the year ended December 31, 2017 totaled \$155,022 of which \$148,537 was from charges for services provided by the Agency, \$5,000 was from the service agreement between the Agency and the Cattaraugus County Capital Resource Corporation, \$1,284 was earned from investments and \$201 was from miscellaneous activity.

In 2017, the Agency induced seven direct projects for a net investment of just over \$26,000,000 in total private sector project investments. The Agency reported a gross revenue increase from previous years and a decrease in net position due to various project closings being delayed for reasons beyond the Agency's control (delayed project closings). The Agency looks to close on 3/4 of these projects within the first quarter of 2018. The Agency has roughly \$25,000,000 of approved projects that are ready to close when the project applicants are ready to do so.

For the year ended December 31, 2017, the Agency's expenses totaled \$263,254. This includes the administrative expense of the CRC. The Agency's largest expense was for personal services and related employee benefits, which accounted for 69.8 percent of all expenses. Contractual expenses, such as rent, utilities, and professional services accounted for 30.2 percent of the Agency's total expenses.

Denise reviewed the Pension Payment to NYS Retirement for year ended 2017 of \$21,594 which was an increase over the 2016 NYS Pension Payment by \$623. This annual payment is based on employee salaries.

Mr. Driscoll made a motion to accept the 2017 Annual Audit as presented by Denise Veloski of JMA, seconded by Mr. Buffamante. All Members agreed. **Motion Carried**

Mr. Wiktor then introduced Mr. Douglas Studd, developer of the **West Valley Inn LLC Project**. The IDA is willing to assist this project with sales tax abatement, a PILOT agreement for this project and also Mortgage Recording tax abatement. This is a project that communities of Ashford and West Valley Community are very excited about and is very much needed in that part of the County. Mr. Studd is looking to bring life back to the West Valley Community with this renovation and the opening of the West Valley Inn, the former West Valley Hotel. Mr. Studd stated that the renovation has been more work than he had originally expected, but this project is something that is close to his heart. He is determined to complete this project and open the facility sometime late summer. Mr. Studd said that he has so many people in the community come up to him and say that they are very excited that he is undertaking this very key project to the local community. He has already had people ask him if they can hold Bingo in the upstairs, if he will serve breakfast, if they can conduct line dancing classes, to name a few things that this facility can be used for. The entire Community is looking forward to this landmark being reopened for business. This project has a potential of generating 20-25 new jobs to the area. The proposed project calls for the complete reconstruction and renovation, to include all furnishings, fixtures and equipment, all constituting to complete overhaul of the "West Valley Hotel".

Mr. Wiktor also stated that the tax base in West Valley is very small due to the fact that most of the tax base is exempt due to the West Valley Nuclear Facility, which is approximately 90% of the tax base of West Valley and it is exempt from property taxes. This renovation will bring back some much needed tax base in the West Valley area. Local suppliers and contractors are being utilized for purposes of the reconstruction of the project.

The West Valley Hotel is currently in the process of demo work and limited reconstruction, after receiving a grant to help with renovations from NYS. A former staple in the community, the Hotel has been closed for roughly three years. The West Valley Hotel opened in 1900 as a combination hotel, restaurant and community center. After the previous owners allowed the building to deteriorate and fall behind on taxes, the owners closed the business before Cattaraugus County foreclosed on the property and sold it at a tax sale in May 2016.

After applying for the grant last year, Ashford Town Supervisor Charlie Davis said he received a letter early this year from the governor's office informing him they had been awarded the funding. "We think this could be the centerpiece of the town to help it grow," said Davis. "This would be a common place everyone could come to have a good meal." **Total project cost/investment of: \$450,000(+,-).**

RESOLUTIONS:

A Motion was made by Brent Driscoll, seconded by Joseph Higgins, **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF WEST VALLEY INN, LLC.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were excused. **Motion Carried.**

A Motion was made by Brent Driscoll, seconded by Gregory Fitzpatrick, **RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR OF COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF WEST VALLEY INN LLC.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were excused. **Motion Carried.**

-T & D Resorts, Inc. – A Public Hearing for this proposed project (February 1, 2018 application) was held at 9:30 a.m. on March 2, 2018 at the Franklinville Town Hall, Franklinville, NY. The Minutes of the public hearing were included in the board packets for their review. For the record there was no one in attendance at this Public Hearing. However, the Agency has received several comments in support of this project.

RESOLUTIONS:

A Motion was made by Brent Driscoll, seconded by Joseph Higgins, **RESOLUTION ACCEPTING THE DETERMINATION BY THE TOWN OF FRANKLINVILLE ZONING BOARD OF APPEALS TO ACT AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE T AND D RESORTS INC. PROJECT AND ACKNOWLEDGING RECEIPT OF THE NEGATIVE DECLARATION ISSUED WITH RESPECT THERETO.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were excused. **Motion Carried.**

A Motion was made by Brent Driscoll, seconded by Gregory Fitzpatrick, **RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR T AND D RESORTS INC. (THE “COMPANY”).** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were 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**

The County of Cattaraugus Industrial Development Agency (CCIDA) Civic Facility Revenue Bonds (JCC Development Corp. Refunding Project), Series 2005 A in the aggregate principal amount of \$5,565,000.00. JCCDC is taking steps to move forward with the refunding of said bonds in an obligation an amount not to exceed \$4 Million.

We have a Resolution before the CCCRC authorizing the Chief Executive Officer of the CCCRC to hold a public hearing regarding a potential project to be undertaken for the benefit of JCC Development Corp., if and when the CRC receives an application.

Mr. Cregg stated that currently the CCCRC does not have an application from JCC, however they are looking at taking this to their Board. Mr. Cregg advised the CCCRC Board that with bringing this to the CCCRC Board now, when an application is received from JCCDC we will be able to schedule a Public Hearing and also send the necessary documents to Cattaraugus County for Public/Legislative Approval. JCCDC decided that this refunding project will have a significant amount of savings in interest costs for the college. Further updates should be forthcoming to the Agency, as they come in, the Staff will keep the Board apprised of the next steps to hopefully facilitate a refunding of the tax exempt bonds.

RESOLUTION:

A Motion was made by Brent Driscoll, seconded by James Snyder, **RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CATTARAUGUS COUNTY CAPITAL RESOURCE CORPORATION TO HOLD A PUBLIC HEARING REGARDING A POTENTIAL PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF JCC DEVELOPMENT CORP.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were excused. **Motion Carried.** Mr. Snyder made the disclosure that he is currently a member on the Board at Jamestown Community College - Olean

A Motion was made by Brent Driscoll, seconded by Thomas Buffamante to return to the current CCIDA meeting from the Cattaraugus County Capital Resource Corp. meeting. All in favor – **Motion Carried**

-Village of Cattaraugus Senior Center Project

Mr. Wiktor stated that we have a Resolution authorizing disposition to the Village of Cattaraugus of an approximately one half acre parcel comprising a portion of the Agency's Railroad properties located in the Village of Cattaraugus. The CCIDA has already completed an appraisal on the property. The CCIDA Board paid for the appraisal a total of \$700.00 and also did a short form SEQR for this property with the designation that there are no significant findings. The appraisal came back at \$17,300 for the fair market value of this property.

This property is being donated to the Village of Cattaraugus. This is a very exciting project for the Village of Cattaraugus. The Village obtained a grant to construct a Senior facility on the property. The facility will be build over the existing foundation of the old Railroad station and fashioned after the original Railroad depot. The CCIDA is giving an in-kind donation of this property to assist with this project.

Mr. Wiktor wanted to take the time to thank the CCIDA for all their support in supporting this land donation project and he really appreciates all that the Board has done to continue to assist with this project.

A Motion was made by Brent Driscoll, seconded by Joseph Higgins, **RESOLUTION AUTHORIZING DISPOSITION TO THE VILLAGE OF CATTARAUGUS OF AN APPROXIMATELY ONE-HALF ACRE PARCEL COMPRISING A PROTION OF THE AGENCY'S RAILROAD PROPERTIES LOCATED IN THE VILLAGE OF CATTARAUGUS.** A Roll Call vote was taken with, Mr. Driscoll, Mr. Fitzpatrick, Mr. Higgins, Mr. Snyder and Mr. Buffamante voting yes. Mr. Giardini and Mr. Wimer, were excused. **Motion Carried.**

***CCIDA Active Project Update/Review:**

Sunny Olean LLC.

-Sunny Olean, LLC. Sunny Olean, LLC had asked the County of Cattaraugus Industrial Development Agency (CCIDA) to consider their application for the complete renovation of the buildings located at 110-116 W. State Street in the City of Olean, New York. Sunny Olean LLC, initially made the application to the CCIDA in February of 2016.

The initial project calls for stabilization of the buildings, the construction of a ground floor café and additional retail space located on the lower levels. On floors 2 & 3, the developer is proposing to construct modern style apartments, which may or may not be furnished. This is desperately needed to create density in the City, to not only attract new residents, but to compliment the retail market that occupies N. Union Street. Mr. Belt's business plan is to renovate the 2-story 116 and 3-story 110/112 W. State Properties. The project is financially feasible and this project will look to become a catalyst for renewal of two (2) of the Olean Urban Renewal Agency (OURA) block of properties. Mr. Belt also mentioned that State and Union Street is the busiest corner in the County!

After renovation, the Sunny Olean properties will anchor a multi-building residential community. It is to be noted that these projects will go back on the tax rolls, to add to the current real property tax base of the City. Much work has been completed on the buildings, by many local contractors and suppliers; we are happy to announce that the first tenants of the properties will be moving in around the summer of this year (2018). **(Pictures that were taken by Corey Wiktor were passed around for the Board Members to review).** **-Total project cost/investment of: \$1,500,000(+,-).**

FINANCIAL REPORT:

A **Motion** was made by Brent Driscoll, seconded by James Snyder to accept the February 2018 financial statements as prepared. **Motion - Carried**

February income of \$1,500.00 was from the application fee for the T and D Resorts, Inc. Project.

We also anticipate one or two new applications to be submitted to the CCIDA in the first quarter of 2018.

In addition, the Agency also had two (2) projects close in March 2018 (Homeridae, and Six Smith's.) for a net income of \$65,730.00 which will reflect in the March financials.

The Olean Manor, LLC is on target to close on April 13, 2018 on this proposed project. This has a potential of being a \$17 Million dollar project in the Village of Allegany.

***Executive Directors Report:**

-Internal (IDA Meetings/Discussions):

- ✓ Recently submitted a property site requests from Invest Buffalo Niagara, in relation to ***Project Chardonnay, Project Gymnast & Project Helmet***. We hope to be conducting personal meetings and further tours in the coming weeks. Also have followed up with submissions that were submitted in late 2017 & 2018 as well.
- ✓ Continued discussions with a Canadian manufacturer in regards to setting up shop here in Cattaraugus County. I have also met with the firm's realtor to discuss land options within the County. We hope to hear more on this over the next several weeks.
- ✓ Conducted another meeting with a local development firm who is in the early stages of putting together a large commercial project in the Ellicottville area. Future meetings have already been set up for March of 2018.
- ✓ Contacted 11 manufacturers and businesses over the past few weeks to set up meetings. We have lined up several meetings with hopes of bringing a few proposed projects and possible developments on line in 2018.
- ✓ Met with a Mike Lesakowski with Benchmark Environmental in regards to some possible work to be completed within the County on a few Brownfield sites, with hopes of redevelopment.
- ✓ Looking to set up an "***Angel Fund***", for purposes of offsetting costs of the creation at set up of business plans. There is a great need for this type of professional service for our startups looking to do and complete an encompassing business plan.
- ✓ I Have met with Richard Zink from STW to lay this out, we will be reviewing with the IDA Board, as well as possible investment fund. More details to follow on both possible new endeavors.
- ✓ ***Advanced Business Service Group***: Follow up meeting with **Invest Buffalo Niagara** in regards to a report that they are putting out relating to area workforce and demographic information specifically for Cattaraugus County. Report will be issued by the first quarter of 2018.

- ✓ Have a meeting set up with West Long at Good Times of Olean for a 2 hour meeting, discussing a variety of economic development initiatives.
- ✓ Met with John Stahley and Crystal Abers in Olean for a meeting to discuss Dresser Rand.
- ✓ Met with Bob Schmick at Fibercel for a meeting.
- ✓ Attended the Cattaraugus County Economic Development Team Meetings.
- ✓ Met with Richard Schechter from Pyramid Brokerage to discuss area sites and properties, as well as to work on the IDA's new site directory.
- ✓ Attended Olean Business Development Corp. meetings.
- ✓ Attended the Buffalo Business First Power Breakfast at Salvatore's. 4 Plant managers discussed a variety of topics that all area manufactures are currently dealing with. (An article to further detail the meeting was included in your Board meeting packet).
- ✓ Met with local realtor Dan Mania, from Emprise Realty in regards to a possible project in the Ellicottville area. Additional meetings have already been scheduled with client.
- ✓ Met with Mayor Aiello to discuss various IDA and development updates within the City of Olean. Also met with Larry Sorokes to discuss various projects within the City as well.
- ✓ Met with Mark Storch, Acadia Energy to discuss Microgrid concepts for area businesses and manufacturers.
- ✓ Met with a local Family who is looking to move back into Cattaraugus County and open up a pediatric office. Outlined potential IDA Programs and available sites for them. This would be a good thing!
- ✓ Met with CB Richard Ellis, a local commercial real estate firm. Looking to make a connection there, as well as to notify them of our new website and commercial site directory.
- ✓ Attended a Buffalo Sabres Hockey game as a guest of Krog Development. We did discuss the recently closed Olean Gateway, LLC. Project, as well the upcoming closing for the HK Olean, LLC. Project. Good news on both projects, forthcoming.
- ✓ Many continued meetings, conference calls and emails relating to the IDA investigating industrial property in the Greater Olean area. More information to come in the following months.
- ✓ Met with Mike John, with MJ Painting Contractor Corp. to discuss and review how his business and IDA project is coming along.
- ✓ Met with Kyle Duggan with Duggan & Duggan in regards to some ideas that they are considering for a possible project. More to follow as they consider.
- ✓ **Continued to meet with iEvolve Technologies in regards to the construction and development of the IDA's new website and social media platforms. They are in draft format and should be live within a few short weeks. We are currently tweaking the beta site and working on getting the active sites and locations within the County uploaded. This is an ongoing process which will be nice once completed!**

- ✓ Met with Dennis Elsenbach and Bill Daly in Warsaw to discuss area power needs and the issues and costs that some of our potential sites would have to bring ample power to them to help induce development and investment. Very good meeting. More to follow.
- ✓ Looking to establish “IDA Partner Business Advisory Group”. We are forming up a group of local CEO’s, stakeholders etc, to meet with on a quarterly basis to establish best practice models, business trends, needs, wants, and ideas. This will be a focused group on advocating to the CCIDA their industry challenges and opportunities.
- ✓ Met with Greg Sehr to discuss possible business development projects within Cattaraugus County.
- ✓ Met Jill Stady from Billings Sheet Metal to discuss a possible project as well as their need for a few new hires!
- ✓ Met with Bob Strell, local commercial real estate professional in regards to some of his clients need for office space in the area. I am working with a local (Olean) commercial real estate developer to hopefully land them in Olean.
- ✓ Conducted a conference call between the IDA, respective Counsels and owners/management for Olean Manor, LLC. (Field of Dreams). We are in the final stages of closing this project in early April 2018.
- ✓ Met with Doug Studd, from the West Valley Inn, LLC. a few times with Crystal as well, to discuss ways we can help this very key and transforaminal community project in West Valley.
- ✓ Met with Joanne Campanga & Rich Schecter to follow up on a few area projects and possible deals within the County.
- ✓ Met with Jim Fink, Buffalo Business First, to discuss highlights and possible stories for upcoming publications dealing with Cattaraugus County.
- ✓ Met with Jeff Belt and Crystal Abers for a lengthy meeting to discuss several economic development potential projects and topics within Cattaraugus County. An excellent meeting!
- ✓ Met with Senator Young and Crystal Abers to discuss several economic development issues, topics and possible projects within Cattaraugus County.

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

- ✓ **Invest Buffalo Niagara:** “*Investment Level Advantages & Opportunities*”. I am proposing to have the IDA join IBN at a Board level commitment of \$10,000. The IDA was a funder of this economic development organization for roughly 4 years, lapsing 2 years ago. Will present on the merits and basis for considering Board member level..
- ✓ **Invest Buffalo Niagara:** *Come grow your business with us. Perfectly positioned for success.* Handouts further outlining services, benefits and roles they play.
- ✓ **Emsi – Economy Overview:** – *Cattaraugus County, NY.* A recent demographic study put together by IBN, noting many key demographic information, trends, populations, businesses, etc. This is a very informative report, one in which we will add to the new website.
- ✓ **Business Journals:** “*Where are Millennials moving?*”. A very thought provoking article noting trends with millennials, and where centers of population are growing with this trend.

- ✓ **Olean Times Herald Article:** dated: 2/27/18 by: Bob Clark "*Olean Gateway hotel gets extension from planning board*". We have begun discussions with the developer to start the proceedings to work on a fixed fee PILOT to close this project.
- ✓ **Buffalo Business First Article:** dated: 2/20/18 "*New plant managers in WNY discuss the future of manufacturing*". Excellent follow up article in regards to the event I attended. Work force development and retention is the #1 issue for their manufacturing centers.
- ✓ **The Buffalo News:** dated: 2/13/18 "*How to create more manufacturing workers.*" Very pertinent and key article in regards to the need to create more and more area trained and able manufacturing employees.
- ✓ **JJL Real Views** dated: 1/29/18 "*Five key factors influencing headquarters decisions*" For both fast-growing small companies and established multi-nationals, cost is no longer king in the search for a new corporate headquarters. Very interesting article!
- ✓ **Olean Business Development – Margaret Carney Lecture Hall:** Tuesday, March 20th 10:00 am – 12:00 p.m. , 301 N. Union Street, Olean, NY Join Jennifer Talarico of the SBA Buffalo District office to learn about the SBA's Woman-Owned Small Business (*WOSB) Program and Christine Urf of the Cattaraugus PTAC to learn about the NYS Minority-or Woman-Owned Business Enterprise (MWBE) program.
- ✓ **How to Become Certified as NYS Service-Disabled Veteran-Owned Business:** Tuesday, March 13th from 12:00 – 1:30 p.m. Join Anthony Tomaselli, Assistant Director, Office of General Services-Division of Service-Disabled Veterans' Business Development for this free webinar.
- ✓ **Buffalo Niagara Partnership:** dated: 3/6/18 "*NYS Executive Budget Proposal*". Current topics and economic development thrusts that are supported by the BNP. Fingers crossed!
- ✓ **Invest Buffalo Niagara Advanced Manufacturing – Cattaraugus County:** dated 3/5/18 by: Matthew Hubacher – Research Manager – Invest Buffalo Niagara. More to follow.
- ✓ **Save the Date:** "*Open House/Meet & Greet: St. Bonaventure-School of Business.*" I will be attending this event at SBU.

A **Motion** was made by Joseph Snyder, seconded by Thomas Buffamante to join the Invest Buffalo Niagara organization at the Board Member level in the amount of \$10,000.00. All Members were in favor **Motion Carried.**

-Executive Session

A **Motion** was made by Joseph Higgins, seconded by Gregory Fitzpatrick to go into Executive Session (Relating to matters of property acquisition/disposition).

A **Motion** was made by Joseph Higgins, seconded by Gregory Fitzpatrick to return from Executive Session back into the CCIDA Board Meeting.

Adjournment:

A Motion was made by Brent Driscoll, seconded by Joseph Higgins at 1:35 p.m.

The next CCIDA Board of Directors meeting will be April 24, at 11:15 a.m. at the Olean BDC Building, 3rd Floor Conference Room