

County of Cattaraugus
Industrial Development Agency

BOARD OF DIRECTORS MEETING - AGENDA

Tuesday, March 12, 2024
CCIDA Office
9 E. Washington Street
Ellicottville, NY
11:15 a.m.

To access the Board meeting via Zoom/Conference Call, please see the applicable information at the end of the agenda to do so.

-Call the Meeting to Order-Time:

-Roll Call- Board of Directors of the CCIDA:

-Approval of February 13, 2024 CCIDA Board of Directors Meeting Minutes:

***Presentation of 2023 CCIDA/CCCRC Audit:**

- **CCIDA Audit Committee Meeting Minutes:** An Audit Committee Meeting was conducted on March 11, 2024 at 3:00 p.m. to discuss the DRAFT 2023 Audit. Copies of the minutes of that meeting were included with the Board Packets. The Audit Committee will make a motion to accept the minutes and proceed with the Audit Presentation.
- **2023 – Annual Audit Presentation –** Prepared for CCIDA/CCCRC by the Auditing firm, Johnson, MacKowiak & Associates, LLP. Mrs. Denise D. Veloski will give the 2023 Audit presentation/overview to the members of the CCIDA/CCCRC Board. (Action Item.)

New Application/Project

1.) – Edelweiss Dairy LLC (no formal action will be taken at this meeting)

-Edelweiss Dairy LLC has submitted a CCCRC Bond Application to the Agency for tax exempt financing and mortgage tax benefits related to the building of a new dairy facility to replace their existing, outdated 50-year-old facility located at 10826 Osman Road in the Town of Freedom. The project includes a new 120 stall rotary parlor to milk cows, 4 cattle barns, a manure processing facility to allow recycled bedding for reuse and provide sand free manure for two methane digesters that will produce RNG. The project will provide a healthier atmosphere for cattle and a cleaner more efficient work environment for employees.

-The Total Project Investment: \$32,500,000

Resolution from a Prior Application/Project in Process

1.)– Kless Boys Development, LLC

-Kless Boys Development, LLC has submitted a DRAFT application to the CCIDA for sales tax, mortgage tax and real property benefits related to the development of a 15,000 +/- sq. foot facility located at 12248 Route 16 in the Town of Yorkshire. The facility will be used as a restaurant, convenience store, small event space, upper floor dining, classic car showing (museum of sorts) allowing for cars shows and small events. The project will add new jobs and a unique experience to draw people from multiple counties. A cost benefit analysis is included in each Board Member's package for their review.

A Public Hearing was held at the Town of Yorkshire on March 4, 2024 and there were 5 people in attendance, please see the public hearing minutes for comments.

-The Total Project Investment: \$6,500,000

√ **Inducement Resolution – Kless Boys Development, LLC**

***General-Wind Uniform Tax Exemption Policy:**

-In conclusion after much discussion and meetings with the Board and Counsel, we are proposing to keep the Agency's current and standing Uniform Tax Exemption Policy (UTEF) relating to Wind, as set. The Agency currently has a \$5,000 PILOT amount per installed MW.

In addition to the PILOT, we are also looking to keep the current Wind Policy terms and conditions that are set forth in the Agency's Eligible Project Policy relating to wind energy as well. ***Copies of both the Wind UTEF and Wind Policy requirements are included in your packet for review and update.***

***CCIDA Financial Report:**

-Approval of **February 2024** Financial Reports

***Income for February 2024 (\$82,609.44):**

-**\$62,500.00-Great Lakes Cheese Payment**

-**\$ 26.44-Electric Rebate**

-**\$ 1,500.00-Win-Sum Application Fee**

-**\$18,583.00-Indus Hotels Administrative Fee**

***Income for March 2024:**

-**\$ 961.90-Reimbursement for Railroad taxes**

-**\$212,500.00 was received March 4, 2024 for Great Lakes Cheese (last payment)**

-**\$100,000.00 will be coming from Cimolai-Hy on March 15th (last payment)**

-*General update on projects in process; including the Agency has 4 projects in the closing stage which should close in the 1st quarter of this year.*

***Executive Directors Reports:**

-Internal (IDA Meetings/Discussions, Snapshot):

- ✓ Attend Southern Tier West Meeting.
- ✓ Meeting with Rich Schechter with Cushman Wakefield
- ✓ Met with a property owner of a former manufacturing business to discuss ways we can help the redevelopment of their Business.
- ✓ Met with a local developer who is considering a large commercial project in the Franklinville area.
- ✓ Attend Olean Business Development Corporation Meeting.
- ✓ Attend Western Region Loan Corporation Meeting.
- ✓ Met with a manufacturing company in the north part of the County relating to an expansion and need for new employees and equipment. The IDA did offer our programs and would gladly support this project!
- ✓ Meeting with Bob Forness and Dave Fenske regarding knife project.
- ✓ Attend conference call regarding Olean Town Centre project.
- ✓ Conference call regarding possible CCIDA funded/participation projects.
- ✓ Conference with Great Lakes Cheese relating to project updates.
- ✓ Meeting with Dave Fenske, Richard Zink and Kim regarding knife project.
- ✓ Conference with Ethan Ruot with Pursuit Lending.
- ✓ Meeting with Bob Dingman.
- ✓ Meeting with Angie Mardino, Town of Dayton.
- ✓ Attend Western New York IDA meeting.
- ✓ Attend Kless Boys Development Public Hearing in Town of Yorkshire.
- ✓ Meeting with Frank Bork.

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

- ✓ **The New York State Senate:** Article: *"Senator George Borrello Amendment to Repeal Electric Bus Mandate Voted Down by Senate."*
- ✓ **Government Technology:** Article: *"Breakdowns, Recalls Fuel Skepticism of Electric School Buses."*
- ✓ **New York ISO:** *"2023 Comprehensive Reliability Planning Report."*
- ✓ **Olean Times Herald:** Article: *"Great Lakes Cheese begins packing operations at Franklinville plant."*
- ✓ **Olean Times Herald:** Article: *"Assemblyman Joseph Giglio won't seek re-election in 148th District; has served 19 years."*
- ✓ **Spectrum News 1:** Article: *"Rural New York could see surge in evictions over the next 10 years, according to advocate."*
- ✓ **AXIOS:** Article: *"U.S. banks are making it much harder to borrow money."*
- ✓ **CNBC:** Article: *"Here's when the Federal Reserve could cut interest rates in 2024."*
- ✓ **WIVB Buffalo:** Article: *"Thousands of people from near and far travel to Ellicottville to hit the slopes at Holiday Valley."*
- ✓ **Politico:** Article: *"Why a clean energy giant based in Florida is battling a green project in New England."*

Executive Session: (Client – Attorney-Client Privileges)

Motion- :
:
Time:

-Motion to reenter the CCIDA Board Meeting-:
Time:

Adjournment:

Motion- :
:
Time:

*** Next CCIDA Board of Directors Meeting is scheduled for
April 9, 2024 at 11:15 a.m.
at the CCIDA Offices in Ellicottville, NY.**

Zoom Meeting access Information:

CCIDA is inviting you to a scheduled Zoom meeting.

Topic: CCIDA March 12th Board Meeting

Time: Mar 12, 2024 11:15 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/85691921280?pwd=Vk82ZXBITVI5bGluT-mRBMHRzQ0I5UT09>

Meeting ID: 856 9192 1280

Passcode: 700986

One tap mobile

+16469313860,,85691921280#,,,,*700986# US

+19292056099,,85691921280#,,,,*700986# US (New York)

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

February 13, 2024

CCIDA Offices

9 East Washington Street

Ellicottville NY 14731

11:15 a.m. In Person or via Teleconference Call/Zoom

Roll Call: -Taken-

Members

Present:

Mr. Thomas Buffamante-Chairman
Mr. Michael Wimer
Mr. James (Joe) Snyder
Mr. Joseph Higgins
Mr. Brent Driscoll
Mr. Thomas Cullen

Excused:

Ms. Ginger Schroder

CCIDA Staff/Counsel:

Mr. Corey R. Wiktor, Executive Director CCIDA
Mr. Robert Murray, Harris Beach PLLC Legal Counsel

Presenters/Guests:

Rick Miller, Olean Times Herald (via zoom)
Mark Kless, Kless Boys Development, LLC
Stephen Hall, Olean Town Centre LLC Legal Counsel
Angelo Ingrassia, Olean Town Centre (via zoom)
Pam Tilton, Town of Farmersville resident
Peter Sorgi, Town of Farmersville Legal Counsel

Mr. 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. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer and Mr. Cullen were present. Ms. Schroder was excused.

A Motion was made by Brent Driscoll seconded Joe Snyder by to accept the Board Meeting Minutes from January 9, 2024 as presented to the Board. All in favor. **Motion Carried.** Ms. Schroder was excused.

New Applications/Projects

1.)– Kless Boys Development, LLC (no formal action will be taken at this meeting)

-Mr. Wiktor welcomed Mark Kless from Kless Boys and indicated he has been working with him for some time now and it has been a pleasure to work with him and his brothers and their businesses. Mr. Wiktor indicated the project has a very unique flavor to it as it incorporates some new facets to Kless Boys and allows a small event space, some car shows, bike shows, a restaurant, roof top dining and a destination draw as it sits right on the tip of Yorkshire so it will be keeping the taxes and jobs there. Mr. Wiktor indicated there is no formal action to be taken at the meeting as a public hearing needs to be conducted and are comfortable with SEQR as it is a new construction. Mr. Wiktor asked Mark Kless to give an overview of the project. Mr. Kless indicated they have a gas station on the corner of Routes 39 and 16 and are at the very north end of the county and capture a lot of customers because of their location. For a while, they have needed to build a store for their customers where they can stop in and get something to eat, things they need and want, but with their own unique flavor on it. He said Kless Boys are into collecting cars, enjoy classics and unique gas and oil so instead of building just a convenience store, they decided if their customers feel as though it was a destination spot, and not just a gas station, they could come from Olean, Hamburg, Orchard Park and other areas. He indicated they are the center of where people go to their hunting camps, the lake or a sporting event and is a pit stop for those people. Mark said are looking for a way to capture customers for more than just a store, something they can remember, and make the community proud.

-Kless Boys Development, LLC has submitted a draft application to the CCIDA for sales tax, mortgage tax and real property benefits related to the development of a 15,000 +/- sq. foot facility located at 12248 Route 16 in the Town of Yorkshire. The facility will be used as a restaurant, convenience store, small event space, upper floor dining, classic car showing (museum of sorts) allowing for cars shows and small events. The project will add new jobs and a unique experience to draw people from multiple counties.

-The Total Project Investment: \$6,500,000

2.) – Olean Town Centre LLC: (no formal action will be taken at this meeting)

-Mr. Buffamante indicated Stephen Hall, the Olean Town Centre attorney for the project is here and Angelo is attending via zoom. Mr. Buffamante explained the IDA received a tentative application last year and now have an updated application. Mr. Wiktor welcomed Stephen and Angelo and thanked them for attending and their diligent work for supplying as much information as possible on the project. Mr. Wiktor asked Stephen or Angelo to give a general overview and updates of the project since October. Mr. Hall indicated since the initial application, things have evolved and been clarified over time. Mr. Hall said the property description of the project is important to clarify what they envision, Phase I will comprise of the description outlined on page 3 of his February 7th letter and to make note of they have a contract with a third party developer and that project is not a part of the application they are seeking from CCIDA. Mr. Hall indicated the project is work in progress and will for quite some time and has to be bitten off in pieces and phases. Angelo stated that the project continues to evolve and is progressing and hope to seek the benefits requested to attract more users to the facility and are hopeful they will get there. Mr. Buffamante asked if the project costs from the fall application was around \$20,000,000 - \$21,000,000, what has increased the costs on the new application to rise to \$28,000,000 - \$29,000,000. Mr. Hall stated the overall costs are at \$28,000,000 and in the fall the application was a draft and

they have since then spent more time evaluating the costs. Angelo further indicated that as time goes by, they are getting more insight of what the overall project they think is going to look like and encapsulated all of that where the draft application did not look beyond certain areas. Mr. Higgins asked what are their plans on the mall itself and Angelo responded possible governmental offices, manufacturing if it makes sense, retail and after knocking down the Bon-Ton building and will be putting up more retail space that will face Union Street.

-Olean Town Centre LLC has submitted a revised application and letter to the CCIDA for the redevelopment of the Olean Center Mall which currently is approximately 355,000 square feet. The project will include building of a new structure to adjoin the existing mall structure comprising of a new mall entrance and inline tenant space, improvements and updates to the existing mall structure, building exterior and façade, replacement of the roof system, renovation of the interior building infrastructure. The project will provide new retail and other commercial opportunities. *Discussion and update only-SEQR Update as well.*

-The Total Project Investment: \$9,553,065 - Phase I

***General-Wind Uniform Tax Exemption Policy:**

-Mr. Wiktor indicated letters were sent to all affected tax jurisdictions on January 25, 2024 regarding the amended and revised UTEP for Wind Farm Facility Projects, a copy of the letter was included in to each Board member in their packet. The proposal would update the IDA's Wind UTEP. Mr. Wiktor indicated the IDA first adopted its first wind policy on February 2, 2010 and since then there have been no changes or revisions. The Board expressed to table the Resolution and review at the March 12, 2024 Board Meeting.

-A Motion was made by Brent Driscoll seconded by Joe Snyder to extend the Moratorium for 30 more days. A roll call of the Board of Directors of the CCIDA was taken, Mr. Buffamante, Mr. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer and Mr. Cullen were present. Ms. Schroder was excused. **Motion Carried.**

Resolution from New Application/Project in Process

1.) – Win-Sum Ski Corp.

-Win-Sum Ski Corp. has submitted an application to the CCIDA for sales tax related to the purchase of 30 golf carts, 2 utility vehicles and 3 additional pieces of equipment for golf course operations which will improve the efficiency of the golf course. A Public Hearing was not required as the benefits are under \$99,000.00, as per the Statue.

Total Project Investment: \$304,000

Resolution:

A Motion was made by Michael Wimer seconded by Tom Cullen, RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF WIN-SUM SKI CORP., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS. A roll call of the Board of Directors of the CCIDA was taken, Mr. Buffamante, Mr. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer and Mr. Cullen were present. Ms. Schroder was excused. **Motion Carried.**

Resolutions from Prior Applications/Projects Modification in Process

1.) – Turbo Machining LLC:

-Turbo Machining LLC has submitted an application to the CCIDA related to transformation of a warehouse into a manufacturing facility located at 3864 Route 417 in the Town of Allegany. The project will include the addition heating, plumbing, electrical, office spaces, restrooms and CNC equipment. The project will create approximately 20 jobs over three years. No Public Hearing was required.

Total Project Investment: \$1,019,000

Resolution:

A Motion was made by Brent Driscoll seconded by Joe Snyder, RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF TURBO MACHINING LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS. A roll call of the Board of Directors of the CCIDA was taken, Mr. Buffamante, Mr. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer and Mr. Cullen were present. Ms. Schroder was excused. **Motion Carried.**

2.) – Walsh Huskies LLC:

-Walsh Huskies LLC has submitted an application to the CCIDA related to the acquisition and relaunch of the campground located at 3510 Bear Creek Road in the Town of Machias. The project includes full renovations to the cabins, event center, concert hall, restaurant, RV pads as well as adding luxury domes for glamping. The Cost Benefit Analysis is included to each Board member in their packet for their review. The Cost Benefit Analysis is included to each Board Member in their packet for their review. A Public Hearing was held at the Town of Machias on February 1, 2024.

Total Project Investment: \$3,145,000

-Mr. Wiktor indicated there were about 16 or 17 people in attendance for the Public Hearing and a very respectful group. The original request was for 10 years of no taxes on the 733 acres and he explained to the developer that is impossible for the Agency to do unless there is massive overhaul and support from the Town. The Town was very adamant that they would not support that and proposed PILOT would have to be in accordance with a new development where there is value added, subsequently a new application and SEQR. Mr. Murray indicated they could approve the Resolution for sales and mortgage tax abatement only, omitting the PILOT benefit and he will provide an amended Resolution omitting the PILOT benefit.

Resolution:

A Motion was made by Brent Driscoll seconded by Joe Snyder, RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF WALSH HUSKIES, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS. A roll call of the Board of Directors of the CCIDA was taken, Mr. Buffamante, Mr. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer and Mr. Cullen were present. Ms. Schroder was excused. **Motion Carried.**

***CCIDA Financial Reports:**

A Motion was made by Brent Driscoll seconded by Michael Wimer to accept the January 2024 CCIDA Operating Statement as presented to the Board. All in Favor - Motion Carried. Ms. Schroder was excused.

***Income for January 2024: (\$3,170.00)**
-\$1,500.00 Application fee: Walsh Huskies, LLC
-\$ 110.00 National Fuel-Railroad Lease
-\$1,500.00 Project Closing: Route Two Nineteen LLC

*\$62,500-Received on February 1st was received from Great Lakes Cheese**

***Executive Directors Reports:**

-Internal (IDA Meetings/Discussions):

- ✓ Attend Cattaraugus County Tourism & Economic Development Team Meeting.
- ✓ Attend Audit Committee meeting.
- ✓ Meeting with Olean Business Development Corporation.
- ✓ Attend Cattaraugus BOCES Open House event.
- ✓ Meeting with Good Times of Olean.
- ✓ Meeting with MJ Painting in Olean.
- ✓ Meeting with Paulette of Buffalo Southern Railroad.
- ✓ Attend Walsh Huskies LLC Public Hearing in Machias
- ✓ Meeting with Dave Fenske.
- ✓ Meeting with a local developer relating to a proposed project on a commercial site in the Franklinville area.
- ✓ Meeting with Tom Cullen and Mayor Nagel regarding grants for Cattaraugus.
- ✓ Attend Western Region Corporation monthly meeting.
- ✓ Meeting with Mark Kless on potential new project.
- ✓ Meeting with Rich Schechter of Pyramid Brokerage.
- ✓ Meeting with Great Lakes Cheese to discuss a few future endeavors.
- ✓ Meeting with John Stahley.
- ✓ Meeting with Courtney Curatolo of Small Business Development Center in Falconer.

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

- ✓ **Spectrum News 1:** Article: *"Switch to electric, budget funding and food access: New York Farm Bureau highlights 2024 concerns."*
- ✓ **Email:** *"The Hottest Markets in America: Olean, NY?"*
- ✓ **Camoin Associates:** Article: *"The Growth, Decline, and Rebirth of the American Shopping Mall: Part 4."*
- ✓ **New York State Economic Development Council:** Handout: *"2024-2025 Executive Budget Summary."*
- ✓ **Buffalo Niagara Partnership:** Handout: *"2024 Advocacy Agenda."*
- ✓ **Olean Times Herald:** Article: *"SUNY JCC recognized by Intelligent.com."*
- ✓ **Olean Times Herald:** Article: *"Genesee Valley School, Ellicottville Greens partner in grant program."*
- ✓ **Ellicottville Now:** Article: *"West Valley Demonstration Project Clean-Up Continues."*
- ✓ **Olean Times Herald:** Article: *"Business Spotlight: New Telemark owners plan boutique motel, restaurant in Ellicottville."*
- ✓ **Buffalo News:** Article: *"Hochul proposes funding for economic development priorities."*
- ✓ **Area Development:** Article: *"2023 Top States for Doing Business Meet the Needs of Site Selectors."*
- ✓ **Fox News:** Article: *"Biden admin issues new natural gas tax in latest fossil fuel crackdown"*
- ✓ **Camoin Associates:** Article: *"Growth, Change Creates Opportunities in Food Manufacturing and Processing."*
- ✓ **Buffalo News:** Article: *"State awards \$10M downtown revitalization grant to Tonawanda, \$4.5M each to Gowanda and Aurora."*
- ✓ **Handout:** *Dairy Processing Bootcamp - Great Lakes Cheese*
- ✓ **Spectrum News 1:** Article: *"Hochul lays out ideas to boost dairy farms and support for agricultural workforce."*
- ✓ **The Villager:** Article: *"CCIDA Spotlight: Pierce Stee Fab. Locally Owned in Olean, Expands to Hinsdale."*

Executive Session:

A Motion was made by Michael Wimer seconded by Brent Driscoll to go into Executive Session at 12:45 p.m. Ms. Schroder was excused.

A Motion was made by Joe Snyder seconded by Brent Driscoll to exit Executive Session and return to the regular meeting at 1:59 p.m. Ms. Schroder was excused.

A Motion was made by Joseph Higgins and seconded by Joe Snyder to adjourn the meeting at 2:00 p.m. All in Favor – Motion Carried. Ms. Schroder was excused.

*** Next CCIDA Board of Directors Meeting: March 12, 2024 at 11:15 a.m. at the CCIDA Offices, 9 E. Washington Street, Ellicottville, NY, and also via Zoom.**

DRAFT

CATTARAUGUS COUNTY CAPITAL RESOURCES CORPORATION

APPLICATION FOR FINANCIAL ASSISTANCE TAX EXEMPT BONDS

Cattaraugus County Capital Resources Corporation
P. O. Box 1749
9 East Washington Street
Ellicottville, New York 14731
Phone (716) 699-2005
fax (716) 699-2942
e-mail info@cattcoida.com
web www.cattcoida.com

Eligibility Questionnaire - Applicant Background Information

Answer all questions. Use "None" or "Not Applicable" where necessary.

Applicant Information-company receiving benefit:

Applicant Name: Edelweiss Dairy LLC
Applicant Address: 10826 Osmun Road
City/Town: Freedom State: NY Zip: 14065
Phone: 716-560-8312
Website: _____ E-mail: ilovemyfarm@yahoo.com

Business Organization (check appropriate category):

Corporation Not for Profit 501c3 Public Corporation
Other (specify) Partnership LLC
Year Established: 2016 State in which Organization is established: NY

Benefits Requested (select all that apply):

1. Tax Exempt Financing Yes or No
2. Exemption from Mortgage Tax Yes or No

Applicant Business Description:

Describe in detail applicant background, history and services provided: Edelweiss Dairy LLC was formed in 2016 from Edelweiss Dairy Inc, (a sub-corp). Incorporated in 1962, Edelweiss Dairy LLC was created to allow the third generation to work into ownership. Edelweiss Dairy LLC is a dairy farm wholesaling milk, meat, and grain products.

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Cattaraugus County 25 %

Describe vendors within Cattaraugus County for major purchases: Willey Well Drilling, Gernatt Asphalt, Rock City Chrysler Jeep Dodge, Peirce Milling, Haley Concrete, D&H Trucking

Individual Completing Application:

Name: John M. Borer
Title: Member
Address: 10826 Osmun Road
City/Town: Freedom State: NY Zip: 14065
Phone: 716-560-8312 E-Mail: ilovemyfarm@yahoo.com

Company Contact (if different from individual completing application):

Name: _____
Title: _____
Address: _____
City/Town: _____ State: _____ Zip: _____
Phone: _____ E-Mail: _____

Company Counsel:

Name of Attorney: Bob Kutzuba
Firm Name: Ward & Kutzuba
Title: Partner
Address: 364 Main Street P.O. Box 321
City/Town: Arcade State: NY Zip: 14009
Phone: 585-492-1178 E-Mail: wardkutzuba.com

Eligibility Questionnaire - Project Description & Details

Address of Proposed Project Facility: 10826 Osmun Road
City/Town: Freedom School District: Pioneer Central Schools
Current Address (if different): _____
City/Town: _____ State: NY Zip: 14065

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site? Yes or No If No, indicate name of present owner of the Project site:

Describe the present use of the proposed Project site (vacant land, existing building, etc.):

Vacant land

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any/all tenants and any/all end users. Add additional pages if necessary.

The purpose of the new build is to update 50 year old facilities to provide a healthier atmosphere for our cattle. The new build will also provide cleaner, more efficient work environments for our employees. The new parlor will help us milk cows more efficiently, allowing them to produce more milk. The manure processing facility will allow us to recycle bedding for reuse and provide sand free manure for two methane digesters that will produce RNG.

If tax exempt or taxable bonds are being requested indicate what bonds will be used for:
Tax-exempt bond proceeds would be used to finance the eligible solid waste disposable facilities of the dairy expansion.

Describe the reasons why the CCCRC financial assistance is necessary, and the effect the Project will have on the Applicant's operations. If refinancing an existing bond or loan indicate potential savings:

The proposed bond issue would allow the project to benefit from a more favorable rate of interest and overall financing terms.

Site Characteristics:

Will the Project meet zoning/land use requirements at the proposed location? Yes or No

Describe the present zoning/land use: Agricultural

If a change in zoning/land use is required, provide details/status of any request for change of zoning/land use requirements: N/A

Has a project related site plan approval application been submitted to the appropriate planning department?
 Yes or No

If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if applicable.

If No, list the CCCRC as, or ensure that the CCCRC is listed as, an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval and provide to the EAF to the lead agency and to the CCCRC.

If No, because site plan approval is not otherwise required, complete and submit the EAF along with this Application to the CCCRC.

Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site? Yes or No If yes, provide a copy.

Project Type:

Select Project Type for all end users at project site (check any and all end users as identified below)

(You may check more than one)	N/A		
Acquisition of Existing Facility	<input type="checkbox"/>	Student Housing	<input type="checkbox"/>
Assisted Living	<input type="checkbox"/>	Mixed Use	<input type="checkbox"/>
Multi-Tenant	<input type="checkbox"/>	Senior Housing	<input type="checkbox"/>
Civic Facility (not for profit)	<input type="checkbox"/>	Educational	<input type="checkbox"/>
Facility for Aging	<input type="checkbox"/>	Medical	<input type="checkbox"/>

1. Start date: acquisition of equipment or construction of facilities: March 2024

2. Estimated completion date of project: November 2024

3. Project occupancy – estimated starting date of occupancy: November 2024

Estimated costs in connection with Project:

Bank Financing	\$ <u>17,500,000</u>
Equity (excluding equity that is attributed to grants/tax credits)	\$ <u>0</u>
Tax Exempt Bond Issuance (if applicable)	\$ <u>15,000,000</u>
Taxable Bond Issuance (if applicable)	\$ <u>0</u>
Public Sources (Include sum total of all state and federal grants and tax credits)	\$ <u>0</u>
Identify each state and federal source and amount	\$ <u>0</u>
	\$ <u>0</u>
	\$ <u>0</u>
Total Sources of Funds for Project Costs:	\$ <u>32,500,000</u>

Have you secured financing for the project? Yes or No

If Yes, specify, Bank, underwriter, etc.

The Frazer Lanier Company will serve as the underwriter. Letter of creiste and bank negotiations are ongoing.

Mortgage Recording Tax Exemption Benefit: Amount of mortgage(s), if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ TBD

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above 1% \$ TBD)

Is the project necessary to expand project employment? Yes or No

Is project necessary to retain existing employment? Yes or No

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time (FT)	20	20	10	10
Part Time (PT)	1	1	2	2
Total ***	21	21	12	12

** The Labor Market Area includes the Counties of Cattaraugus, Erie, Allegany, Chautauqua and Wyoming. For purposes of this question, estimate the number of FT and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of jobs to be retained and/or created	# of employees retained and/or created	Average salary for Full Time	Average fringe benefits for full time	Average salary for part time, if applicable	Average fringe benefits for part time, if applicable
Management	7	80,000	20,000		
Professional					
Administrative	2	80,000	20,000		
Production	21	70,000	20,000	15,000	
Independent Contractor	3	100,000			
Other					

Employment at other locations in Cattaraugus County, if applicable: (provide address and number of employees at each location):

Address	Full Time	Part Time	Total

Payroll Information:

Annual Payroll at proposed project site upon project completion		\$ 2,750,000
Estimated average annual salary of jobs to be retained (full time)	\$ 87,500	
Estimated average annual salary of jobs to be retained (part time)	\$ 15,000	
Estimated average annual salary of jobs to be created (full time)	\$ 87,500	
Estimated average annual salary of jobs to be created (part time)	\$ 15,000	
Estimated salary range of jobs to be created		
From (full time)	\$ 65,000	To (full time) \$ 110,000
From (part time)	\$ 10,000	To (part time) \$ 20,000

Representations, Certifications and Indemnification

John M. Borer (name of CEO or other authorized representative of Applicant) deposes and says that he/she is the member (title) of Edelweiss Dairy LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Cattaraugus County Capital Resources Corporation (CCCRC) and as follows:

A. **Local Labor Workforce Certification Reports:** The Applicant understands and agrees that, if the project, as described within this Application, receives any Financial Assistance from the CCCRC then the Applicant agrees to file, or cause to be filed, with the CCCRC Local Labor Workforce Certification Reports, at least quarterly, regarding the use of local labor working on the project site during and through the construction period to confirm use of all local labor residing in Cattaraugus, Erie, Niagara, Chautauqua, Cattaraugus and/or Allegheny Counties.

B. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the CCCRC from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the CCCRC, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.

C. **Hold Harmless Provision:** The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the CCCRC incurred in connection with any actions required to be taken by the CCCRC in furtherance of the Application including the CCCRC's reasonable costs of general counsel and/or the CCCRC's bond/transaction counsel whether or not the Application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the CCCRC shall not be liable for and agrees to indemnify, defend, and hold the CCCRC harmless from and against any and all liability arising from or expense incurred by: (i) the CCCRC's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the CCCRC; (ii) the CCCRC's acquisition, construction and/or installation of the proposed project described herein; and (iii) any further action taken by the CCCRC with respect to the proposed project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. This obligation includes an obligation to submit an CCCRC Fee Payment to the CCCRC in accordance with the CCCRC fee policy effective as of the date of this Application.

D. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the CCCRC and the CCCRC's general counsel and/or the CCCRC's bond/transaction counsel, the same to be paid at the times indicated:

- (i) a non-refundable \$1,000 application and publication fee (the "Application Fee");
- (ii) Unless otherwise agreed to by the CCCRC an amount equal to one percent (1.00%) of the CCCRC bond issuance (.50% if refinance).

(iii) All reasonable fees, costs and expenses incurred by the CCCRC for (1) legal services, including but not limited to those provided by the CCCRC's general counsel and/or the CCCRC's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the CCCRC's general counsel and the CCCRC's bond/transaction counsel; and (2) other consultants retained by the CCCRC, if any, in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.

E. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, then, upon the presentation of an invoice, Applicant shall pay to the CCCRC, its agents, or assigns all reasonable costs incurred by the CCCRC in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the CCCRC's general counsel and/or the CCCRC's bond/transaction counsel.

F. The Applicant acknowledges and agrees that all payment liabilities to the CCCRC and the CCCRC's general counsel and/or the CCCRC's bond and/or transaction counsel as expressed in Sections D and E are obligations that are not dependent on final documentation of the transaction contemplated by this Application.

G. The cost incurred by the CCCRC and paid by the Applicant, the CCCRC's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the project and included in the financing of costs of the proposed project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.

H. The Applicant acknowledges that the CCCRC is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all project information and records related to this application are potentially subject to disclosure under FOIL, subject to limited statutory exclusions.

I. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the CCCRC and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Edelweiss Dairy LLC
(Name of corporation or entity)

John Borer
(Name of officer)

Member
(Title)

NOTARY

Sworn to before me this 5th day of May 2024

Marie E Sialy
(Signature)

MARIE E SIALY
Notary Public, State of New York
Reg. No. 0182334588
Qualified in Cattaraugus County
Commission Expires 12/21/2027

Short Environmental Assessment Form Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information			
Name of Action or Project: <i>Edelweiss Dairy Greenfield Dairy Facility</i>			
Project Location (describe, and attach a location map): <i>10826 Osmun Rd, Freedom, NY 14065</i>			
Brief Description of Proposed Action: <i>Edelweiss Dairy LLC is proposing to build a new greenfield Dairy facility to replace their 50 year old facilities that are out dated. The project includes a new 120 stall rotary parlor, 4 cattle barns, a manure separation sand recycling facility and two methane digesters.</i>			
Name of Applicant or Sponsor:		Telephone: <i>716-560-8312</i>	
		E-Mail: <i>ilovemyfarm@paho.com</i>	
Address: <i>10826 Osmun Rd</i>			
City/Town: <i>Freedom</i>		State: <i>NY</i>	Zip Code: <i>14065</i>
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/>
			YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>
			YES <input type="checkbox"/>
3. a. Total acreage of the site of the proposed action?		<i>25</i> acres	
b. Total acreage to be physically disturbed?		_____ acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		<i>1850</i> acres	
4. Check all land uses that occur on, are adjoining or near the proposed action:			
<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)			
<input checked="" type="checkbox"/> Forest <input checked="" type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (Specify):			
<input type="checkbox"/> Parkland			

		NO	YES	N/A
5. Is the proposed action,	a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation services available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____ _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: <u>private wells</u>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: <u>septic</u>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input checked="" type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plain?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
a. Will storm water discharges flow to adjacent properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>We have already created and implemented a storm water runoff engineered plan that incorporated ditching and detention ponds.</u>		
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:	NO	YES
<u>detention ponds only</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: _____ Date: <u>3/1/24</u>		
Signature: <u>[Signature]</u> Title: <u>member</u>		

PUBLIC HEARING SCRIPT

**Kless Boys Development, LLC and/or
Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or
to be formed on its behalf Project**

Public Hearing to be held on March 4, 2024 at 10:00 a.m. at the
Town of Yorkshire Town Hall, 82 South Main Street, Delevan, New York

ATTENDANCE:

___ Sign in sheet attached _____

x Members of the General Public

x **1. WELCOME:** Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 10:02 a.m. My name is Corey R. Wiktor. I am the Executive Director of the County of Cattaraugus Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.cattcoida.com.

x **2. PURPOSE:** Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Kless Boys Development, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. This public hearing is being recorded and will be transcribed for the Board Members of the Agency for their review and comments before they take any further action. We have a sign in sheet for anyone who would like to participate in this public hearing either by presenting oral comments or we would be happy to take written statements. Notice of this hearing appeared in Olean Times Herald on Friday, February 23, 2024.

x **3. PROJECT SUMMARY:** Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 12248 and 12260 NYS Route 16 in the Town of Yorkshire, Cattaraugus County, New York and all other lands in the Town of Machias where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction of a 15,000 sq. ft. facility dedicated to showcasing classic, historic, and

unique cars in an immersive museum space featuring versatile event space for hosting a variety of gatherings and associated food and restaurant amenities (the "Improvements"); and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Project Facility"). The Facility will be initially operated and/or managed by the Company.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits, mortgage recording tax exemption benefits, and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those who have joined this conference call will be given an opportunity to make statements and/or comments on the Project if they so desire.

Minutes of the Public Hearing will be transcribed and posted on the Agency's website (www.cattcoida.com). Additional information can be obtained from, and written comments may be addressed to: Corey R. Wiktor, Executive Director, County of Cattaraugus Industrial Development Agency, 9 East Washington Street, P.O. Box 1749, Ellicottville, New York 14731; Telephone: 716-699-2005 and electronically at corey@cattcoida.com or Info@cattcoida.com.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: Those interested in making a statement or comment will be called upon. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

The IDA also gave a general overview of the project and the proposed financial assistance that it can offer on the project. The PILOT was discussed in detail noting that no property or tax values would be removed from the tax rolls. Supervisor Spencer and the Board Members who were present at the Hearing spoke in favor of the project and applaud the development efforts of Kless Boys. General questions were answered as well.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:41 a.m.

**SIGN IN SHEET
FOR PUBLIC HEARING**

Public Hearing to be held on March 4, 2024 at 10:00 a.m. at the
Town of Yorkshire Town Hall, 82 South Main Street, Delevan, New York

**Kless Boys Development, LLC and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 12248 and 12260 NYS Route 16, Yorkshire, New York

Name	Company and/or Address	X box to speak/ comment
Marcia Leyer	Town of Yorkshire	
Chris Leyer	Town of Yorkshire	
BRADLEY REGAN	TOWN OF YORKSHIRE	
MARK KLESS	KLESS BOYS	
Chris Edwards	Town of Yorkshire	

MRB Cost Benefit Calculator

Cattaraugus County Industrial Development Agency

Date:
 Project Title:
 Project Location:

Construction Phase - Project Assumptions

Project Costs
 Enter total project costs:
 Local Construction Spending*
 % of locally sourced materials and labor in-region construction spending

Construction Economic Impacts

Industry	NAICS	% of Total Investment	Investment by Type
Industrial Building Construction	236210	100%	\$4,550,000
(Not Applicable)	0		\$0
(Not Applicable)	0		\$0
Most projects will only have one line related to construction type.		100%	\$4,550,000

Operation Phase - Project Assumptions

Jobs and Earnings from Operations

NAICS Code

Year 1 - Enter NAICS	NAICS	Count	Per Job Annual Earnings	Total Earnings
	0 445131	1	\$34,000	\$34,000
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	Total	1		\$34,000

Year 2	NAICS	Count	Per Job Annual Earnings	Total Earnings
	0 445131	6	\$34,000	\$204,000
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	Total	6		\$204,000

Year 3+ (Full Employment)	NAICS	Count	Per Job Annual Earnings	Total Earnings
	0 445131	7	\$34,000	\$238,000
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	0			\$0
	Total	7		\$238,000

Fiscal Impact Assumptions

Estimated Costs of Incentives

Sales Tax Exemption	%	\$520,000	PILOT Term (Years)	<input type="text" value="10"/>
Local Sales Tax Rate	4.00%	\$260,000	Escalation Factor	<input type="text" value="2%"/>
State Sales Tax Rate	4.00%	\$260,000	Discount Factor	<input type="text" value="2%"/>
Mortgage Recording Tax Exemption		\$81,250		
Local	0.75%	\$48,750		
State	0.50%	\$32,500		
Total Costs		\$4,039,040		

**COUNTY OF CATTARAUGUS INDUSTRIAL
DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**KLESS BOYS DEVELOPMENT, LLC AND/OR INDIVIDUAL(S) OR AFFILIATE(S),
SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS
BEHALF**

A regular meeting of the County of Cattaraugus Industrial Development Agency was convened on Tuesday, March 12, 2024 at 11:15 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF KLESS BOYS DEVELOPMENT, LLC AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

WHEREAS, County of Cattaraugus Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 536 of the 1971 Laws of New York, as amended, constituting Section 890-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving,

maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Company has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Agency of a leasehold interest in certain property located at 12248 and 12260 NYS Route 16 in the Town of Yorkshire, Cattaraugus County, New York and all other lands in the Town of Yorkshire, where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction of a 15,000 sq. ft. facility dedicated to showcasing classic, historic, and unique cars in an immersive museum space featuring versatile event space for hosting a variety of gatherings and associated food and restaurant amenities (the "Improvements"); and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Project Facility"). The Facility will be initially operated and/or managed by the Company; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on Monday, March 4, 2024 at 10:00 a.m. at the Town of Yorkshire Town Hall, 82 South Main Street, in the Town of Yorkshire, New York the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the "Agent Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement") and related leaseback agreement (the "Leaseback Agreement") with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a 15-year term "Tourism Destination Facility" PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from

real property taxes benefit, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, the Project constitutes a "retail" project as defined under Section 862(2)(a) of the Act and as such requires additional findings; and

{**WHEREAS**, the Agency must, following the Public Hearing and prior to providing any Financial Assistance to such a "retail" Project, find that: (1) the Project is likely to attract a significant number of visitors from outside the economic development region in which the Project is located as established by Section 230 of the New York Economic Development Law; or (2) the predominant purpose of the Project would be to make available goods or services which would not, but for the Project, be reasonably accessible to residents of {the Town of Yorkshire -or- Cattaraugus County?} because of a lack of reasonably accessible retail trade facilities offering such goods or services; or (3) the Project is located in a "Highly Distressed Area" as such term is defined in Section 854(18) of the Act, and

WHEREAS, the Company has represented to the Agency that the Project is likely to attract a significant number of visitors from outside the economic development region (as established by Section 230 of the New York State Economic Development Law), and therefore the Project constitutes a "tourism destination" as defined in Section 862(2) of the Act; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, and Agency board member review of and recommendations related to the Project and its resolution to approve the Project subject to the terms and conditions as described herein, the Agency board member review of the Project's cost benefit ratio, the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Cattaraugus County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Act's abandonment procedures; and

(F) Based upon the Agency's prior review of the Application submitted by the Company, along with supporting materials, the Project will include facilities or property that are primarily used in making retail sales, as defined within Section 862(2) of the Act, to customers who personally visit the Facility. Notwithstanding the foregoing, and based upon the Application and supporting materials prepared and presented by the Company to the Agency, the Project constitutes a "tourism destination" inasmuch as the Project and Facility will likely attract a significant number of visitors from outside the economic development region (as established by Section 230 of the Economic Development Law) in which the Project is located.

(G) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(H) The Agency has prepared a written cost-benefit analysis satisfactorily identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(I) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act.

(J) The Project involves an "Unlisted Action" as said term is defined pursuant to 6 N.Y.C.R.R. Section 617.2(al) of the SEQRR regulations. The Agency has conducted an uncoordinated review of the Project pursuant to 6 N.Y.C.R.R. Section 617.6(b)(4)(i). Based upon a comprehensive and thorough review by the Agency of the EAF and related documents

delivered by the Company to the Agency, the criteria set forth in 6 N.Y.C.R.R. Section 617.7 of the SEQR regulations, and the additional representations made by the Company to the Agency in connection with the Project, the Agency: (i) hereby finds that the Project constitutes an "Unlisted Action" within the meaning of SEQR and a coordinated review is optional; (ii) the Agency has conducted an uncoordinated review of the Project under SEQR; (iii) the Project will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (iv) construction related impacts are short term and do not have a significant magnitude or effect; (v) the Project will not have a "significant effect on the environment" as such quoted term is defined in SEQR; and (vi) no "environmental impact statement" as such quoted term is defined in SEQR, need be prepared for this action. The Agency thus issues a "negative declaration" as that term is defined pursuant 6 N.Y.C.R.R. Section 617.2(z); and

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency's general uniform criteria for project evaluation, said criteria established by New York State and the Agency as required under General Municipal Law Section 859-a(5) as evidenced by the following:

- (i) Extent to which the Project will create or retain jobs: The Project will create one (1) new full time equivalent ("FTE") employee position and ten (10) new part-time equivalent ("PTE") employee positions.
- (ii) The estimated total value of Financial Assistance is approximately \$1,203,080.
- (iii) The estimated amount of private sector investment to be made by the Company is \$6,500,000.
- (iv) Likelihood of the Project being accomplished in a timely fashion: There is a high likelihood that the Project will be completed in a timely manner, by December 31, 2025.
- (v) Extent of new revenue provided to local taxing jurisdictions: By creating a tourism destination facility (*ie*, an immersive museum facility to showcase classic, historic, and unique cars) it is expected that the Project will attract visitors to the Facility and Cattaraugus County, New York, resulting in new and increased sales tax revenues.
- (vi) The extent to which the Project will create local construction jobs. The Company will utilize local construction contractors to the extent, if at all, required.

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and

lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the appointment of the Company as agent of the Agency, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director).

A. Financial Assistance. With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$6,500,000, and, therefore, the value of the sales and use tax exemption benefits ("sales and use tax exemption benefits") authorized and approved by the Agency cannot exceed \$520,00.00, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit ("mortgage recording tax exemption benefits") shall not exceed \$81,250.00; and

(iii) authorizes and approves that the real property tax abatement benefits ("PILOT benefits") to be provided over the term of the PILOT Agreement are estimated to be approximately \$526,931.00, resulting in estimated total PILOT payments of \$444,854.00 over the term of the PILOT Agreement.

B. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local

sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; and/or (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Construction Jobs and Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

C. Commitments. As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment - the total investment made with respect to the Project at the time of Project completion equals or exceeds \$6,500,000, being the total project cost as stated in the Company's application for Financial Assistance.
- (ii) Employment Commitment – that there is at least 1 FTE employ and 10 PTE employees located at the Facility as stated in the Company's application for Financial Assistance; and
 - the number of current FTE and PTE employees in the then current year at the Facility; and
- (iii) that within two (2) years of Project completion, the Company has created FTE employment at the Facility equal to 1 FTE employee and PTE employment at the Facility equal to 10 PTE employee positions.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) the PILOT Agreement and (E) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the

Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, and/or the Executive Director of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, and/or the Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the Agency's policies.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director.

Dated: March 12, 2024

AMENDED AND RESTATED ELIGIBLE PROJECT POLICY

COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY

ELIGIBLE PROJECT POLICY

SECTION 1. PURPOSE AND AUTHORITY. (A) Purpose of the Agency. The purpose of the County of Cattaraugus Industrial Development Agency (the "Agency") is to retain, promote, attract and develop job and business opportunities and economically sound commerce and industry in cities, towns and villages in the County of Cattaraugus (the "County"). The Agency strives to assist and promote growing industry in the County by helping business to be competitive and profitable by offering:

- (1) financial assistance, including business incentives, tax exemptions and proceeds of bonds;
- (2) improved utilization and development of local infrastructure
- (3) creation of investment, employment and wealth in the County; and
- (4) recruitment of new business.

The Agency gives preference to those businesses that have a market for products or services extending beyond the County, including "back office" operations and regional or national headquarters. The Agency will consider assisting companies selling their product or service in the County when it is clear their primary competition is from outside of the County.

(B) Authorized Projects Under the Act. Pursuant to Title One of Article 18-A of the General Municipal Law, as amended (the "Act"), the Agency is authorized to offer "financial assistance", as defined in the Act ("Financial Assistance"), to various types of projects. The Act authorizes an industrial development agency to undertake numerous types of projects, including, but not limited to, manufacturing, warehousing, research, commercial, industrial, industrial pollution control, recreation, cultural, horse racing and railroad facilities. The Act also has from time to time contained legislature prohibitions on providing Financial Assistance to certain types of projects, such as retail facilities, allowing exceptions for tourist destination facilities, projects that otherwise will move out of state, or projects in highly distressed areas.

(C) Agency Policy. In an attempt to be consistent with the purposes of the Agency outlined in Section 1(A) above, the Agency has in the past undertaken manufacturing, industrial, warehousing, commercial, research, office, not-for-profit, railroad, recreation and tourism destination projects, but has in the past declined to undertake projects that the Agency has felt were not consistent with the purposes of the Agency outlined in Section 1(A) above, including certain big-box retail projects and certain condominium projects.

(D) Purpose of this Policy. The purpose of this eligible project policy (the "Eligible Project Policy") is to set forth in a single place the policies that the Agency has been following to determine the types of projects that the Agency will consider granting Financial Assistance to. Note that the fact that Agency will consider granting Financial Assistance to a particular type of project does **not** mean that the Agency will in fact grant Financial Assistance to a particular project, even if that particular project is of a type that the Agency will consider granting Financial Assistance to. Under the Act and the policies of the Agency, the Agency must consider the application and related materials relating to a particular project, as well as input

from the public and from the state-mandated environmental review process, before making a determination whether to grant Financial Assistance to a particular project.

(E) Date of Enactment. This Eligible Project Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 7, 2011, and last amended by pursuant to a resolution enacted by the members of the Agency on February 2, 2021.

SECTION 2. DEFINITIONS. All words and terms used herein and defined in the Act shall have the meanings assigned to them in the Act, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

(A) "Act" means Title One of Article 18-A of the General Municipal Law, as amended.

(B) "Adaptive Reuse Project" means a project that will benefit the County by adapting old structures or sites for new purposes, including potentially a mix of business and commercial uses, and/or market rate housing, but excluding hotel and motel uses except as otherwise permitted within this Policy. Such a project may include redeveloping a blighted site or structure, promoting infill development utilizing existing infrastructure, creating new economic activity at difficult sites and buildings thus helping to eliminate neighborhood slum and blight, promoting re-use of existing buildings and sites, and/or helping to maintain a neighborhood's fabric.

(C) "Affected Tax Jurisdiction" shall have the meaning assigned to such term in the Act.

(D) "Agency" shall mean County of Cattaraugus Industrial Development Agency.

(E) "County" shall mean the County of Cattaraugus.

(F) "Financial Assistance" shall have the meaning assigned to such term in the Act.

(G) "Municipality" shall mean each city, town and village located within the County.

(H) "Small Business" shall mean any business which is a recipient of a small business loan from the Cattaraugus County Business Development Corporation.

(I) "Tourism Destination Facility" means a retail facility in the County that the Agency determines (1) will attract and/or service a significant number of Tourists (either due to the nature of the project, or as demonstrated by an appropriate market analysis), (2) will entice more Tourists to come to the County, (3) is linked to other Tourism Destination Facilities in the County, and (4) will agree to pay sales taxes and occupancy taxes related to the operation of said facility and (b) if not operated by a not-for-profit corporation or entity, real estate taxes and/or Pilot payments related to such facility. The Agency will also consider venues relating to arts, entertainment and recreation - examples include: Hotels/Motels, performing arts, theater companies, sports arenas, museums, historical sites, camp grounds, amusement and theme parks, themed typed destination restaurants, golf courses, skiing facilities, all open to the general public.

(J) "Tourist" means a project customer that is expected to come from outside the County.

SECTION 3. TYPES OF ELIGIBLE PROJECTS. Subject to compliance with all the requirements of the Act, proposed projects and/or projects with occupants whose businesses fall within the following categories are hereby determined to be eligible for Financial Assistance from the Agency:

“Commercial Projects” - Any commercial project approved by the Agency that is not a Manufacturing Project, a Warehousing Project, a Research Project, a Tax-Exempt Project, a Small Alternate Energy Project, a Wind Farm Project, a Commercial Solar Project or a Small Business Equipment Project. This term includes, but is not limited to, the following:

(1) **“Retail Projects”** – As a general rule, the Agency has traditionally refrained from assisting retail projects and for-profit medical facilities (such as doctor’s offices, clinics and laboratories) unless such projects were both permitted by the Act and were deemed by the Agency to provide sufficient public benefits to offset whatever public detriments might arise as a result of such project. Factors influencing whether the Agency will consider granting Financial Assistance to a particular retail/commercial project include, but are not necessarily limited to, the following:

(a) Whether the project is permitted under the Act (At times, the Act has prohibited retail projects unless some of the following conditions are met; the project: (i) is a Tourism Destination Facility; (ii) is operated by a not-for-profit corporation; (iii) will locate outside of the State without assistance from the Agency; (iv) is located in a highly distressed area; (v) makes available goods or services not otherwise reasonably accessible; and (vi) preserves or increases permanent private-sector jobs. Although these provisions of the Act may have expired, the Agency is inclined to follow these retail restrictions);

(b) Whether the project is a critical part of a larger, planned development in the community;

(c) Whether the project has been endorsed by the local municipal chief executive officer or the local municipal governing body; and

(d) Whether the project is located in an economic development zone, Empire Zone or similar zone targeted for additional local or state financial assistance.

(2) **“Medical Projects”**- As indicated in Section 3(H)(1) above, medical facilities (such as doctor’s offices, clinics and laboratories) generally are not eligible for Financial Assistance from the Agency, with the following exceptions to this general restriction: (a) a medical facility operated by a not-for-profit corporation; (b) a Tourism Destination Facility; and (c) for-profit medical facilities meeting the criteria for an exception pursuant to Section 3(H)(1) above, including but not limited to (i) a back office medical support facility, if regional in nature and if a significant portion of its operations support activities outside of the County, (ii) a medical facility that provides leading edge technology facilities, with a demonstrated commercialization potential or associated local research component, (iii) a medical facility that provides medical services that are generally not available (provided that an appropriate market analysis confirming such unavailability is provided), or (iv) a medical facility with a demonstrated need, backed up with a qualified study outlining the need for the new facility or for the retention of the existing facility within the County.

(3) **“Residential Project”** – As a general rule, the Agency has traditionally refrained from providing Financial Assistance to residential projects unless such projects were both permitted by the Act and were deemed by the Agency to provide sufficient public benefits to offset whatever public detriments might arise as a result of such project. The Agency will consider providing Financial Assistance to multi-tenant facilities, if such facilities can

demonstrate a need in the college, university, commercial or manufacturing sector or otherwise promote employment opportunities and prevent economic deterioration, as confirmed by an appropriate expert study or other or a written analysis by a government official with appropriate expertise, and such a determination is made by the Agency based upon all of the relevant facts.

(4) **“Distributive Service Project”** – The Agency will consider providing Financial Assistance to a project that is primarily composed of facilities for distributive services, including but not limited to the following: (a) wholesaling durable and non-durable merchandise; (b) air, rail, water, truck transportation and support activities; (c) warehousing and storage; (d) publishing; broadcasting and telecommunications; (e) distribution centers; and (f) information services and data processing.

(5) **“Business Services Project”** – The Agency will consider providing Financial Assistance to a project that is primarily composed of facilities for business services, including but not limited to the following: (a) finance; (b) international trade; (c) accounting; (d) engineering; (e) management services; (f) back office facilities in support of customer service, sales and marketing, and technical assistance; (g) specialized training services; (h) machinery & equipment repair; (i) space research; (j) national security; and (k) real estate rental.

(6) **“Recreation Project”** – Any project that is composed primarily of facilities that qualify for financial assistance under the Act as recreation facilities. This term includes horse racing facilities and other similar facilities.

(7) **“Adaptive Reuse Project”** – In order to prevent economic deterioration and promote employment opportunities in the County, the Agency will consider providing Financial Assistance to an Adaptive Reuse Project. Factors influencing whether the Agency will consider granting Financial Assistance to a particular Adaptive Reuse Project include the following: (a) the age of the structure and the challenges to its redevelopment; (b) time period during which the structure has been vacant or underutilized; (c) whether the structure is generating significant rental income; (d) whether the proposed Adaptive Reuse Project is compliant with the investment and growth criteria of the local master plan; (e) appropriate evidence indicating financial obstacles to the development of the project without Financial Assistance from the Agency or other public assistance; (f) evidence of local governmental support; (g) whether the structure or site presents a significant public safety hazard or its re-use would involve significant environmental remediation costs; (h) whether the site or structure is located in a distressed census tract; (i) whether the structure presents significant costs associated with building code issues; (j) whether the site or structure is presently delinquent in property tax payments; and (k) such additional criteria as may be developed by the Agency from time to time.

“Commercial Solar Project” means a group of solar panels and related facilities in the same location intended to be used for the production of electric power to be sold to third parties, but shall not include a Small Alternate Energy Facility. In the event of a question whether a solar facility is a Small Alternate Energy Facility or a Commercial Solar Project, the determination of the Agency on that subject shall be final. A Commercial Solar Project includes all related equipment determined by the Agency to be necessary or desirable for collecting such electric energy and delivering same to the electric grid, but shall not include the land and improvements that were included on the tax rolls of the Affected Tax Jurisdictions prior to the commencement of such Commercial Solar Project. As a general rule, (1) the Agency will not hold a public hearing with respect to a Commercial Solar Project unless (a) the Agency first sends a copy of the application received by the Agency with respect to said project to the chief executive officer (or officers) of the Project Municipality (or Project Municipalities) and a letter indicating that the Agency intends to hold a public hearing with respect to said project unless the Agency receives a written objection to the

Agency proceeding to process the application relating to said project within 15 days' after the date of mailing said letter from said chief executive officer (or officers), and (b) within 15 days' after the date of mailing said application and letter from the Agency to the chief executive officer (or officers) of the Project Municipality (or Project Municipalities), the Agency does not receive such written objection, and (2) the Agency will not approve said Commercial Solar Project unless the Agency receives (a) a letter of support for such project from the Project Municipality (or Project Municipalities), and (b) evidence that the project beneficiary has entered into a decommissioning agreement in favor of the Project Municipality (or Project Municipalities), the Landowner and the County, designed to afford the Project Municipality (or Project Municipalities), the Landowner and the County a level of financial protection related to the decommissioning of the project and restoration of the project site, said agreement, at a minimum, to provide as follows:

(i) the project beneficiary is to create a decommissioning fund (the "Solar Decommissioning Fund"), to be held in a third party escrow account with a third party escrow agent acceptable to the Agency (which may be the Treasurer of the County), to guarantee that monies are available to perform the facility decommissioning and restoration of the project site, said Solar Decommissioning Fund to be initially capitalized at the Agency's current estimated costs of decommissioning the project and restoring the project site (without offset for salvage value), and increased yearly thereafter by an additional annual deposit at least equal to an additional 2.5% of the previous balance to keep up with inflation and expected decommissioning and site restoration costs (Note - The Agency in December, 2020 then estimated the costs to decommission a 2 MWac commercial solar project to be \$65,000, based on guidance from the New York State Energy Research & Development Authority and other sources, the salvage values of recyclable materials not being factored into said costs);

(ii) the Solar Decommissioning Fund shall be funded as follows: (A) with cash furnished by the project owner, with interest credited to the project owner; or (B) if acceptable to the Agency, with one of the following forms of financial security:

(I) Performance Bond – a Performance Bond (w) issued by a surety company in good standing with, and authorized to issue surety bonds by, the New York State Department of Financial Services and having a rating of "A" or better pursuant to the latest rating publication of Surety Companies by A.M. Best Company, (x) in an amount equal to the amount then required to be in the Solar Decommissioning Fund, increasing annually as provided above, (y) for a term of at least three years, and shall provide that such term shall be continuously renewed or extended, so that it remains in effect for the remaining term of the Solar Decommissioning Fund or until the secured decommissioning obligations are satisfied, whichever occurs sooner, and (z) providing that, upon default by the project owner with respect to its decommissioning obligations with respect to the solar facility, the surety shall perform such obligations for the benefit of the Project Municipality (or Project Municipalities), the Landowner and the County; or

(II) Letter of Credit – an irrevocable letter of credit (w) issued by a bank whose long-term debt is rated "A" or better by a nationally recognized rating service, (x) in an amount equal to the amount then required to be in the Solar Decommissioning Fund, increasing annually as provided above, (y) for a term of at least one year, and shall provide that shall be continuously renewed, extended, or replaced, so that it remains in effect for the remaining term of the Solar Decommissioning Fund or until the secured decommissioning obligations are satisfied, whichever occurs sooner, and (z) providing that, upon default by the project owner with respect to its decommissioning obligations with respect to the solar facility, the Project Municipality (or Project Municipalities), the

Landowner or the County, or its designees, shall be authorized under the letter of credit to make one or more sight drawings thereon upon certification to the issuing bank that the then project owner shall have failed to perform its decommissioning obligations when due;

(iii) a plan for decommissioning the project (the "Plan"), which Plan shall include activities related to (W) disconnecting the solar facility from the electrical grid, (X) the dismantling and the removal of all solar facility components to a depth of four feet below grade (including photovoltaic modules, panel racking and supports, inverter units, battery storage, transformers and other electrical equipment, wiring cables, perimeter fence, and concrete foundations) in accordance with any applicable regulations and manufacturer recommendations, (Y) the restoration of the project site to a state similar to its pre-construction condition based upon best management practices and procedures (and in compliance with the most recent guidance from the New York State Department of Agriculture and Markets, which in December, 2020 was a release entitled "Guidelines for Solar Energy Projects – Construction Mitigation for Agricultural Lands", revision dated 10/18/2019), and (Z) the management of materials and waste;

(iv) the project to be decommissioned under the following conditions; (W) the project beneficiary decides to retire the solar facility; (X) commercial operation of the solar facility has not commenced within three years of commencement of construction of the solar facility; (Y) the solar facility ceases to be operational for more than two years; or (Z) the project is delinquent for a period of two years or more in the payment of real estate taxes or payments in lieu of real estate taxes;

(v) the County shall have access to the project site to effect or complete decommissioning, and shall have access to the Solar Decommissioning Fund for the expressed purpose of completing such decommissioning, if (X) decommissioning is not completed by the project beneficiary, the Landowner, or the Project Municipality (or Project Municipalities) within six (6) months of the end of project life or facility abandonment, or (Y) for any reason the County is the holder of tax title to the project; and

(vi) if, following decommissioning, there are any funds remaining in the Solar Decommissioning Fund, such funds shall be returned to the project beneficiary or such other person or entity entitled to same.

"Industrial Project" – This term includes manufacturing and industrial projects allowed under the Act, including industrial pollution control projects. The Agency targets the industrial sector because of the quality of the jobs this sector creates and because it is unlikely applicants will be competing with other businesses in the County. The Agency defines "industrial" very broadly to include computer software, agri-business, and printing and publishing.

"Landowner" means the owner of the land upon which a particular project is located.

"Project Municipality" means the city, town or village in which a particular project is proposed to be located.

"Research Project" – Any project which qualifies for financial assistance under the Act as a research project. This term includes research and development facilities and other similar facilities.

"Small Alternate Energy Facility" means a facility (1) that is determined by the Agency to be a facility described in Section 487(1) of the Real Property Tax Law (including solar or wind energy equipment,

a solar or wind energy system, farm waste electric generating equipment, and a farm waste energy system), (2) that is installed or to be installed in a residence, a farm or a small business located within the County and (3) that is not a Wind Farm Facility or a Commercial Solar Facility.

"Small Business Equipment Project"- Any project that (1) is to be undertaken by the Agency for the benefit of a Small Business, (2) is intended to extend only a sales tax benefit to such Small Business and (3) is to be comprised of equipment only.

"Tax-Exempt Project" – Any project which qualifies for tax-exempt financing by the Agency under the Internal Revenue Code of 1986, as amended, provided that such project is permitted under the Act.

"Warehousing Project" - Any project which qualifies for financial assistance under the Act as a warehousing project. This term includes distribution facilities and other similar facilities.

"Wind Farm Project" – Any project that is primarily composed of a group of wind turbines and related facilities in the same location intended to be used for the production of electric power to be sold to third parties, including all related equipment determined by the Agency to be necessary or desirable for collecting such electric energy and delivering same to the electric grid, but shall not include the land and improvements that were included on the tax rolls of the Affected Tax Jurisdictions prior to the commencement of the project of which such Wind Farm Facility is a part (see Section 7(D)(1) of the Agency's Uniform Tax Exemption Policy). As a general rule, (1) the Agency will not hold a public hearing with respect to, or approve, a Wind Farm Project unless the Agency receives letters of support for such project from both the Cattaraugus County Legislature and the Project Municipality (or Project Municipalities), (2) in processing the application for said Wind Farm Project, the Agency will take into consideration the viewpoints expressed to the Agency by municipalities contiguous to the Project Municipality (or Project Municipalities), and (3) the Agency will not approve said Wind Farm Project unless the Agency receives (a) a letter of support for such project from the Project Municipality (or Project Municipalities), and (b) evidence that the project beneficiary has entered into a decommissioning agreement in favor of the Project Municipality (or Project Municipalities), the Landowner and the County, designed to afford the Project Municipality (or Project Municipalities), the Landowner and the County a level of financial protection related to the decommissioning of the project and restoration of the project site, said agreement, at a minimum, to provide as follows:

(i) the project beneficiary is to create a decommissioning fund (the "Wind Decommissioning Fund"), to be held in a third party escrow account with a third party escrow agent acceptable to the Agency (which may be the Treasurer of the County), to guarantee that monies are available to perform the facility decommissioning and restoration of the project site, said Wind Decommissioning Fund to be initially capitalized at the Agency's current estimate of the full amount of the projected costs of the decommissioning the project and restoring the project site (without offset for salvage value), and increased yearly thereafter by an additional annual deposit at least equal to an additional 2.5% of the previous balance to keep up with inflation and expected decommissioning and site restoration costs (Note - The Agency in February, 2021 then estimated the costs to decommission a 68 turbine 242 MW wind farm project to be \$10,200,000, or approximately \$150,000 per turbine, based on a review of recent decisions by the New York State Board on Electric Generation Siting and the Environment and other sources, the salvage values of recyclable materials not being factored into said costs);

(ii) the Wind Decommissioning Fund shall be funded as follows: (A) with cash furnished by the project owner, with interest credited to the project owner; or (B) if acceptable to the Agency, with one of the following forms of financial security:

(I) Performance Bond – a Performance Bond (w) issued by a surety company in good standing with, and authorized to issue surety bonds by, the New York State Department of Financial Services and having a rating of “A” or better pursuant to the latest rating publication of Surety Companies by A.M. Best Company, (x) in an amount equal to the amount then required to be in the Wind Decommissioning Fund, increasing annually as provided above, (y) for a term of at least three years, and shall provide that such term shall be continuously renewed or extended, so that it remains in effect for the remaining term of the Wind Decommissioning Fund or until the secured decommissioning obligations are satisfied, whichever occurs sooner, and (z) providing that, upon default by the project owner with respect to its decommissioning obligations with respect to the wind farm facility, the surety shall perform such obligations for the benefit of the Project Municipality (or Project Municipalities), the Landowner and the County; or

(II) Letter of Credit – an irrevocable letter of credit (w) issued by a bank whose long-term debt is rated “A” or better by a nationally recognized rating service, (x) in an amount equal to the amount then required to be in the Wind Decommissioning Fund, increasing annually as provided above, (y) for a term of at least one year, and shall provide that shall be continuously renewed, extended, or replaced, so that it remains in effect for the remaining term of the Wind Decommissioning Fund or until the secured decommissioning obligations are satisfied, whichever occurs sooner, and (z) providing that, upon default by the project owner with respect to its decommissioning obligations with respect to the wind farm facility, the Project Municipality (or Project Municipalities), the Landowner or the County, or its designees, shall be authorized under the letter of credit to make one or more sight drawings thereon upon certification to the issuing bank that the then project owner shall have failed to perform its decommissioning obligations when due;

(iii) a plan for decommissioning the project (the “Plan”), which Plan shall include activities related to (W) disconnecting the wind farm facility from the electrical grid, (X) the dismantling and the removal of all wind farm facility components to a depth of four feet below grade (including transformers and other electrical equipment, wiring cables, perimeter fence, and concrete foundations) in accordance with any applicable regulations and manufacturer recommendations, (Y) the restoration of the project site to a state similar to its pre-construction condition based upon best management practices and procedures (and in compliance with the most recent guidance from the New York State Department of Agriculture and Markets, which on April 19, 2018 was a release entitled “Guidelines for Agricultural Mitigation for Wind Power Projects”, revision dated 4/19/2018), and (Z) the management of materials and waste;

(iv) the project to be decommissioned under the following conditions; (W) the project beneficiary decides to retire the wind farm facility; (X) commercial operation of the wind farm facility has not commenced within three years of commencement of construction of the wind farm facility; (Y) the wind farm facility ceases to be operational for more than two years; or (Z) the project is delinquent for a period of two years or more in the payment of real estate taxes or payments in lieu of real estate taxes;

(v) the County shall have access to the project site to effect or complete decommissioning, and shall have access to the Wind Decommissioning Fund for the expressed purpose of completing such decommissioning, if (X) decommissioning is not completed by the project beneficiary, the Landowner, or the Project Municipality (or Project Municipalities) within

six (6) months of the end of project life or facility abandonment, or (Y) for any reason the County is the holder of tax title to the project; and

(vi) if, following decommissioning, there are any funds remaining in the Wind Decommissioning Fund, such funds shall be returned to the project beneficiary or such other person or entity entitled to same.

SECTION 4. PROCEDURES FOR DEVIATION. In a case where the Agency shall determine that special circumstances may exist that may justify a deviation pursuant to Section 3(B) of this Lease Policy, the Agency may determine to deviate from the provisions of this Eligible Projects Policy provided that the Agency adopts a resolution (A) setting forth, with respect to the proposed deviation, the reasons for the proposed deviation and (B) imposing such terms and conditions thereon as the Agency shall deem just and proper.

SECTION 5. ANNUAL REVIEW OF POLICY. At least annually, the Agency shall review this Eligible Projects Policy to determine relevance, compliance with law, effectiveness, and shall adopt any modifications or changes that it shall deem appropriate. The Chief Executive Officer of the Agency shall be responsible for conducting an annual review of this Eligible Projects Policy and for an evaluation of the internal control structure established to ensure compliance with this Eligible Projects Policy, which review shall be submitted to the Agency for consideration by the Agency.

(l) Wind Farms. If a project qualifies as a Wind Farm Facility, (1) the Initial Period shall be fifteen years, and (2) the project shall be required to make Guaranteed Pilot Payments equal to (i) \$5,000 per megawatt of installed capacity of the wind turbine generators which comprise a portion of the Wind Farm Facility (the "Wind Turbine Facilities") times (ii) the actual installed capacity of the Wind Turbine Facilities, calculated on the third (3rd) business day prior to the date on which the related payment is due pursuant to the Pilot Agreement; provided, that, the Guaranteed Pilot Payments are to be adjusted for inflation per annum using the lesser of the following: (x) five percent (5%); or (y) Bureau of Labor Statistics Consumer Price Index ("CPI") for the Northeast Region for the prior year (e.g., 2010 CPI to adjust the 2011 Guaranteed Pilot Payment). Each annual Guaranteed Pilot Payment will be payable on January 1 of each year (commencing on January 1 of the year following the year of expected substantial completion of the Wind Farm Facility), subject to a thirty (30) day grace period, and shall upon receipt shall be distributed to the Affected Tax Jurisdictions in accordance with a formula based on the tax rates of the Affected Tax Jurisdictions in effect as of the date of execution of the Pilot Agreement. Following the end of the Initial Period, each annual Pilot Payment to be paid by the project occupant pursuant to the terms of the Pilot Agreement shall be in an amount equal to the amount which would be payable to such Taxing Entity with respect to the Wind Farm Facility if such Wind Farm Facility was owned by the project occupant and not the Agency. The Guaranteed Pilot Payments shall be payable notwithstanding any termination of the term of the related Lease Agreement, and shall be secured by a Pilot Mortgage. The Pilot Mortgage associated with a Wind Farm Facility may also secure amounts due and payable pursuant to any host community agreement related to such Wind Farm Facility.

(m) Commercial Solar Facility. If a project qualifies as a Commercial Solar Facility, and if the Agency receives a letter of support for such project from the city, town or village in which such project is located, (1) the Initial Period shall be twenty-five years, (2) if the Existing Assessment of the underlying parcel and existing improvements does not remain fully taxable on the relevant assessment rolls, the Pilot Agreement shall require that Pilot payments be made with respect to such underlying parcel and existing improvements in an amount equal to 100% of the Normal Tax with respect thereto, and (3) the Commercial Solar Facility shall be required to make Guaranteed Pilot Payments equal to (i) the actual installed capacity of the Solar Panels, calculated on the third (3rd) business day prior to the date on which the related payment is due pursuant to the Pilot Agreement times (ii) the amount per megawatt of installed capacity of the solar panels which comprise a portion of the Commercial Solar Facility (the "Solar Panels") set forth in the following table:

Project Size (In Megawatts)	Amount per Megawatt
0 MW up to but not including 5.0 MW	\$6,000

5.0 MW up to but not including 10.0 MW	\$7,500
10.0 MW up to but not including 25.0 MW	\$9,000
25.0 MW and above	To be negotiated

provided, that, the Guaranteed Pilot Payments are to be increased annually by three percent (3%) to account for estimated annual inflation. Each annual Guaranteed Pilot Payment will be payable on January 1 of each year (commencing on January 1 of the year following the year of expected substantial completion of the Commercial Solar Facility), subject to a thirty (30) day grace period, and shall upon receipt shall be distributed to the Affected Tax Jurisdictions in accordance with a formula based on the tax rates of the Affected Tax Jurisdictions in effect as of the date of execution of the Pilot Agreement. Following the end of the Initial Period, each annual Pilot Payment to be paid by the project occupant pursuant to the terms of the Pilot Agreement shall be in an amount equal to the amount which would be payable to such Taxing Entity with respect to the Commercial Solar Facility if such Commercial Solar Facility was owned by the project occupant and not the Agency.

	A	B	C	D	E	F
2	County of Cattaraugus		OPERATING STATEMENT			
3	Industrial Development Agency					
4	Feb-24	2024	2024	2024	2024	2023
5		APPROVED	M-T-D	Y-T-D	BALANCE	Y-T-D
6		BUDGET	ACTUAL	ACTUAL	REMAINING	COMPARISON
7						
8	INCOME:					
9	Interest on Accounts	\$20,000	\$0	\$0	\$20,000	\$0
10	Apps & Fees	\$500,000	\$81,833	\$84,833	\$415,167	\$75,019
11	CCCRC/Other Misc. Income	\$0	\$26	\$239	\$1,778	\$211
12	Total	\$520,000	\$81,859	\$85,072	\$436,945	\$75,230
13						
14						
15	EXPENSES:					
16	Wages	\$200,000	\$14,646	\$29,292	\$170,708	\$14,815
17	Fringe Benefits	\$80,000	\$4,807	\$9,847	\$70,153	\$7,282
18	A- Performance Bonus	\$20,000	\$0	\$0	\$20,000	\$0
19	Board Meeting/Operations	\$2,000	\$245	\$360	\$1,640	\$223
20	Business Development	\$10,000	\$824	\$1,610	\$8,390	\$657
21	Office Supplies/Service Contracts	\$1,800	\$355	\$465	\$1,335	\$130
22	D- Office Maint./Repairs/Equip	\$6,000	\$1,250	\$2,542	\$3,458	\$1,606
23	E- Office Phones/Cell/fax/internet serv	\$7,000	\$889	\$1,651	\$5,349	\$1,517
24	Postage	\$1,200	\$133	\$234	\$966	\$164
25	Public Hearings	\$1,000	\$147	\$239	\$761	\$215
26	Travel/Mileage	\$3,000	\$47	\$47	\$2,953	\$0
27	Service Charges		\$0	\$25		
28	Rent	\$17,100	\$2,850	\$4,275	\$12,825	\$5,700
29	Real Estate Taxes	\$100	\$87	\$87	\$13	\$91
30	Utilities	\$4,500	\$779	\$1,222	\$3,278	\$1,009
31	Property/Fire/Liability Insurance	\$5,000	\$0	\$0	\$5,000	\$0
32	Education/Training/Prof. Development	\$4,000	\$0	\$0	\$4,000	\$0
33	Professional Associations	\$8,500	\$0	\$1,150	\$7,350	\$2,295
34	C- Professional Services	\$30,000	\$42,383	\$43,103	-\$13,103	\$9,782
35	F-Publications	\$200	\$0	\$1,328	-\$1,128	\$0
36	Marketing/Promotion/Networking	\$1,000	\$0	\$0	\$1,000	\$0
37	Railroad Services	\$25	\$0	\$0	\$25	\$0
38	Miscellaneous	\$100	\$0	\$0	\$100	\$0
39	Project Expenses	\$5,000	\$750	\$750	\$4,250	\$0
40	B- Consulting Expense	\$36,000	\$5,500	\$8,500	\$27,500	\$17,048
41					\$0	\$0
42	Total Expenses	\$443,525	\$75,692	\$106,727	\$336,823	\$62,534
43						
44	Net Difference	\$76,475	\$6,168	-\$21,655	\$100,122	\$12,696
45						
46	A-Yearly payment					
47	B-Includes Yearly payment					
48	C-Includes payments due Harris Beach					
49	D- Includes IT invoices, accounting software, computer storage, monthly office cleaning, yearly window cleaning, lawn					
50	E- Includes monthly cell phones, internet, apple storage, storage back up and office phone lines					
51	F- Publications and ad made in local directory					
52						
53						

COUNTY OF CATTARAUGUS IDA
Balance Sheet
February 29, 2024

ASSETS

Current Assets		
CATT CO. BANK	\$	331,074.88
SAVINGS CCB		5,211.40
SAVINGS FT		8,295.72
CATT. CO. CAPITAL RES. CORP.		435,799.52
Five Star CD		450,000.00
CD's		631,419.00
KeyBank Investment		107,621.82
PETTY CASH		120.40
SECURITY DEPOSIT - RENT		1,350.00
Accounts Receivable		10,000.00
lease asset		73,708.92
Deferred Outflows		87,556.00
lease liability		(69,451.29)
ACCTS RECEIVABLE		1,138.76
		<hr/>
Total Current Assets		2,073,845.13
Property and Equipment		
EQUIPMENT		38,350.45
LEASEHOLD IMPROVEMENTS		22,173.08
LAND		149,298.92
RAILROAD/IMPROVEMENTS		907,199.96
ACCUM DEPRECIATION		(\$70,546.17)
		<hr/>
Total Property and Equipment		246,476.24
Other Assets		
net pension asset		50,186.00
		<hr/>
Total Other Assets		50,186.00
		<hr/>
Total Assets	\$	<u><u>2,370,507.37</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
NYS RETIREMENT LOAN ACCT.	\$	211.31
Employee Health Ins Payable		3.00
Federal Payroll Taxes		(1,648.91)
NYS WITHHOLDING		8,735.69
Social Security Tax Payable		3,605.87
Medicare Withholding Tax Pay		843.58
NYS Retirement Employer Portio		23,054.00
Deferred Inflows		179,281.00
accumulated amort lease asset		4,257.63
ACCOUNTS PAYABLE		39,930.00
ACCTS. PAYABLE SERV. AGREEME		(15,000.00)
		<hr/>
Total Current Liabilities		243,273.17
Long-Term Liabilities		
		<hr/>
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		243,273.17

Unaudited - For Management Purposes Only

COUNTY OF CATTARAUGUS IDA
Balance Sheet
February 29, 2024

Capital		
Retained Earnings	1,838,816.92	
CONTRIBUTED CAPITAL	310,072.06	
Net Income	<u>(21,654.78)</u>	
Total Capital		<u>2,127,234.20</u>
Total Liabilities & Capital		<u>\$ 2,370,507.37</u>

COUNTY OF CATTARAUGUS IDA
Balance Sheet
February 28, 2023

ASSETS

Current Assets		
CATT CO. BANK	\$	325,105.39
SAVINGS CCB		5,211.92
SAVINGS FT		8,295.72
CATT. CO. CAPITAL RES. CORP.		438,657.75
Five Star CD		150,000.00
CD's		625,077.00
KeyBank Investment		103,031.63
PETTY CASH		120.40
SECURITY DEPOSIT - RENT		1,350.00
Deferred Outflows		127,554.00
ACCTS RECEIVABLE		346.86
PREPAID EXPENSES		3,000.00
		<hr/>
Total Current Assets		1,787,750.67
Property and Equipment		
EQUIPMENT		38,423.95
LEASEHOLD IMPROVEMENTS		22,173.08
LAND		149,298.92
RAILROAD/IMPROVEMENTS		907,199.96
ACCUM DEPRECIATION		(869,286.65)
		<hr/>
Total Property and Equipment		247,809.26
Other Assets		
		<hr/>
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u><u>2,035,559.93</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Employee Health Ins Payable	\$	(2,365.88)
Federal Payroll Taxes		(16,061.21)
NYS WITHHOLDING		14,939.11
NYS Retirement Employer Portio		43,860.00
Deferred Inflows		14,768.00
ACCOUNTS PAYABLE		8,914.38
ACCRUED PAYROLL		3,504.81
		<hr/>
Total Current Liabilities		67,559.21
Long-Term Liabilities		
Pension Liability		175,874.00
		<hr/>
Total Long-Term Liabilities		175,874.00
		<hr/>
Total Liabilities		243,433.21
Capital		
Retained Earnings		1,469,358.48
CONTRIBUTED CAPITAL		310,072.06
Net Income		12,696.18
		<hr/>
Total Capital		1,792,126.72

Unaudited - For Management Purposes Only

COUNTY OF CATTARAUGUS IDA
Balance Sheet
February 28, 2023

Total Liabilities & Capital

\$ 2,035,559.93

Senator George Borrello Amendment to Repeal Electric Bus Mandate Voted Down by Senate Democrats

GEORGE M. BORRELLO

March 4, 2024

ISSUE:

- CLIMATE ACT
- ALL-ELECTRIC SCHOOL BUS MANDATE
- ELECTRIC VEHICLES; GREEN ENERGY; MANDATES

[3.4.24 sen.-borrello-amendment-to-repeal-electric-bus-mandate-voted-down-by-senate-democrats-f.pdf](#)



Reliability and cost concerns keep mounting as mandate deadline approaches

ALBANY, NY – Citing growing concerns over affordability, reliability and safety, Senator George Borrello today advanced a measure on the Senate floor that would rescind the state’s electric school bus mandates and replace

them with a feasibility study. The amendment was proposed during debate on S.1448B and was rejected by Senate Democrats.

“A recent news report in the Times Union highlighted the numerous accounts of schools and municipalities around the nation who have invested taxpayer funds in purchasing electric buses only to have them break down shortly after being put in service,” said Senator Borrello. “The Bethlehem school district, just outside of Albany, was among those cited as having reliability problems, with five out of seven electric buses out of commission for repairs.”

“The reliability problem is a major drawback, but unfortunately just one among many when it comes to this still-new technology. These buses carry an exorbitant price tag, not only for the vehicles themselves, but for the needed infrastructure and transmission upgrades, and their traveling range is far less than conventional buses, even in ideal weather conditions,” said Sen. Borrello. “In extreme cold, their traveling range falls by 30 to 40 percent which makes them incapable of running longer rural bus routes, transporting students to athletic competitions and field trips.”

Senator Borrello noted that the amendment he advanced would replace the mandate with a feasibility study that would be required to evaluate electric bus performance in rural, suburban and urban settings. He added that it represents a “common sense step” that should be taken before any large-scale mandate.

“I am disappointed that my Senate Democrat colleagues rejected my amendment, particularly as more information comes to light about the mechanical and cold weather problems associated with these vehicles,” said Senator Borrello. “Not only is it irresponsible to commit billions in taxpayer funds to an unreliable product, but my colleagues are also overlooking very real safety concerns. Parents trust that when they put their children on the school bus that they will be safe. But what happens when a bus full of students fails mid-route because of cold weather or because they hit a pothole, as was the case with one of the Bethlehem buses.”

“We shouldn’t be jeopardizing our children’s safety for a costly, virtue-signaling political experiment,” said Senator Borrello. “I hope that before the session ends, we can do the right thing and pass this bill.”

K-12 EDUCATION

Breakdowns, Recalls Fuel Skepticism of Electric School Buses

The director of the New York Association for Pupil Transportation said 20 out of 100 electric school buses are down on any given day, due to problems with the buses or with their charging devices.

March 01, 2024 • Rick Karlin, Times Union, Albany, N.Y.



Shutterstock

(TNS) — On Feb. 6, one of the Bethlehem Central School District's seven electric buses was knocked out of service by a pothole.

bus was on Interstate 787 when the pothole caused the vehicle to become disabled.

The driver pulled over the bus, which had one student on board. No one was injured.

As it turned out, there was a recall from the National Highway Traffic Safety Administration on the bus along with four others in the Bethlehem e-fleet.

All told, five of the seven electric buses that Bethlehem purchased three years ago have been off the road in recent weeks. They were at the Matthews Bus dealership in Ballston Spa for maintenance and warranty repairs, according to the district.

Bethlehem isn't the only school district having problems with electric buses.

Earlier in February, a driver in Winthrop, Maine, suddenly lost power steering and braking, causing him to run into a snowbank to stop the vehicle.

Several municipalities nationwide, including Asheville, N.C., Colorado Springs, Colo., and Philadelphia have reported issues with transit e-buses. In Philadelphia, a fleet of 25 e-buses that were debuted during the 2019 Democratic presidential convention are unused, due to breakdowns and lack of parts, according to news reports.

YELLOW CAUTION LIGHTS RAISED OVER THE PRICE TAG

This all comes as mostly Republican lawmakers, along with some local school officials in New York, are putting up caution lights in front of Gov. Kathy Hochul's mandate to completely electrify the state's fleet of about 45,000 school buses by 2035.

In legislation the governor pushed through last year, all new school buses purchased by school districts starting in 2027 will have to be electric.

The lawmakers' main objection is the cost.

"That's \$20 billion worth of buses," Republican Sen. George Borrello, of Silver Lake said. "We need to pump the brakes on all of this."

and other Republican senators recently spoke out against the plan citing the cost.

Hochul is allocating \$500 million from the state's Environmental Bond fund to help with the transition.

But that's a fraction of the total price tag, given the difference in cost and other factors between traditional diesel and e-buses. A regular diesel bus can run between \$100,000 and \$150,000 compared to \$300,000 to \$400,000 for an electric bus.

Now, with reports of breakdowns and recalls, opponents are raising new questions about whether the existing timetable is realistic.

Traditional diesel buses, for instance, have a failure rate of 1 or 2 percent, meaning that out of a fleet of 100 buses, one or two would be down for repairs on a given day, said David Christopher, executive director of the state Association for Pupil Transportation, which represents school bus directors.

For electric buses, the failure rate is about 20 percent, meaning 20 of 100 e-buses are down on any given day, due to problems with the buses or with their charging devices.

"They've been around for a long time," Christopher said of diesel buses and if something goes wrong. "It's typically an easy fix."

He stressed that he and his organization like the idea of emissions-free electric buses. They will help clean up the air and can help lower greenhouse gas emissions.

Their problem is with the timetable, the nation's most ambitious, and questions about the cost.

Schools that have purchased e-buses are experimenting in a sense, using the first generation of this new technology.

The newness, though, shouldn't deter school districts, said Adam Ruder, director of Clean Transportation for the New York State Energy Research and Development Authority, which helps districts acquire and fund the new e-buses.

new technology," Ruder said, adding that a lot of vehicles get recalls for various

reasons. "The manufacturers and dealers have done a really good job of trying to stay on top of that."

So far, Ruder estimates there are between 50 and 60 electric school buses operating in 20 school districts in New York. NYSERDA has secured funding for 300 and is making up the difference between the cost of a traditional and an electric bus.

LOOSE BODY JOINTS AND WIRES

The Bethlehem buses were subject to two recalls — one for loose body joints and the other for power cables, which can lead to a rapid loss of power.

These are Thomas Built buses, one of three major electric bus manufacturers in operation.

(The bus in Maine was from a different manufacturer, Lion Electric, which also has a recall on some models.)

But these problems highlight another challenge in switching to e-buses, which is getting people trained to work on them, Borrello said.

He's sponsoring legislation that would hold off the current timetable in favor of creating pilot programs to see how the electric buses perform in different school districts with different routes: urban, rural and suburban.

It's one of several bills that have been introduced regarding the e-bus mandate.

Realistically, majority Democrats would have to get on board and sponsor a similar bill for the concept to move forward in the Legislature.

Ruder and Hochul's office both stress that as more e-buses are in use, prices should decrease.

There are other costs to the switchover, though.

Borrello's estimate of \$20 billion for changing the fleet to e-buses includes the cost of

setting up robust charging stations that can efficiently charge large numbers of buses.

That will likely require boosting the electric grid.

During a recent talk on the mandate, a Shenendehowa district official from Clifton Park said they would likely need a substation to handle the power to charge their 200-plus buses. The local utility will pay for part of that, but it represents an added cost.

Ruder stressed that the changeover to electric buses will be gradual, and no one is saying that an entire fleet should be swapped out at once.

Districts like Bethlehem with, say, seven buses, should be able to handle those electricity needs. Moreover, school buses can utilize lower-power slow chargers since they can sit overnight in parking lots or garages as they are being charged.

"Districts are not electrifying 100 percent of their fleets tomorrow," Ruder said. "Most can do it now without upgrades."

DISTRICTS WILL FOLLOW THE LAW AND VOTERS' DESIRES

At least one of the five Bethlehem buses was scheduled to come back online last week, and two are set to come back Monday, with another scheduled to return March 15.

As for the future of electric buses in the Bethlehem district, spokeswoman JoEllen Gardner said they will follow the law.

"As with all school districts in New York state, Bethlehem is preparing to meet the state's clean energy mandates for school bus fleets. Purchasing decisions involve many factors and many decision-making points for the district and those factors are carefully weighed each year," she said. "The ultimate decision is with the voters who approve bus purchases."

Indeed, many school districts purchase new buses after voters approve them during their annual school budget votes in May.

erally, buses are replaced after five to eight years, Christopher said. They wear out

not due to mechanical problems but the rust (and potholes) that plague almost any vehicle operating in New York state.

Historically, voters overwhelmingly approve budget items to purchase new buses. But Christopher and others wonder if that will change when voters see the high cost of mandated electric buses.

That may be a harder sell.

Last summer voters in Marathon, Cortland County, and Boonville, Oneida County, rejected proposals to buy three electric buses each, even though both would have come with EPA grants that would have significantly cut the purchase costs.

And in the Catskills Onteora school district in Ulster County, the school board last year said "No" to an \$8.5 million EPA grant to help buy 21 electric buses. Among other things, they cited the unknown cost of building a charging infrastructure.

Said Christopher: "This is the most significant thing that has happened to a school bus since they painted them yellow in the 1930s."

©2024 the Times Union (Albany, N.Y.). Distributed by Tribune Content Agency, LLC.

Tags: [Electric Vehicles](#), [K-12](#), [Education](#)

Stay on top of the latest state & local government technology trends.

Sign up for GovTech Today. Delivered daily to your inbox.

Email Address*

FREE NEWSLETTER SIGN UP



Report Outlines Risks to Grid Reliability

NYISO's *2023-2032 Comprehensive Reliability Plan (CRP)*, which sets forth a plan for the bulk electric system over a 10-year horizon, finds growing risks to reliability on the grid, including: generator deactivations, extreme weather, uncertain demand trends due to electrification, and slow or delayed development of new generation resources.



Changing Conditions

- ✓ The grid is undergoing unprecedented transformation. **The pace of fossil generator retirements exceeds the pace of new resource additions.** Further, the **intermittency of new, cleaner resources** makes the continual balance of supply and demand more challenging.
- ✓ **Growth in demand, driven by electrification of heating, cooking, and transportation, is forecasted to have profound impacts** on how the grid operates. If demand grows at a rate greater than the build-out of generation and transmission, deficiencies could arise throughout the ten-year horizon.
- ✓ **The ability to serve forecasted demand in New York will be more challenging as the grid transforms from a summer to a winter-peaking system within 10 years.** Deficiencies arise as early as winter 2027-28 for an extreme winter cold snap coupled with a gas supply shortage.
- ✓ **The reliance on dual-fuel resources will increase** into the next decade to support winter system reliability.



Added Risks

- ✓ **Added demand from new, large industrial customers** (microchip fabrication and data centers, primarily in western and central New York) **creates the potential for a statewide resource deficiency** within the planning period.
- ✓ **New York Power Authority's small natural gas plants will be phased out by December 2030,** as directed by recent legislation. This will impact already thin reliability margins in New York City without additional resources to take their place.
- ✓ **Extreme weather conditions** such as heatwaves, cold snaps, and storms, pose additional threats to reliability in the absence of more resources, especially in New York City.
- ✓ **Planning for more extreme system conditions** of heatwaves, cold snaps, and fuel availability is currently beyond established reliability design criteria.
- ✓ **The NYISO's quarterly Short-Term Assessments of Reliability** will continue to provide timely analysis of evolving risks to the grid.

Report Outlines Risks to Grid Reliability

Road to 2040 Reliability



NYISO-administered wholesale electricity markets are an important, proven tool to mitigate risks by leveraging appropriate price signals for new market entry and retention of resources that assist in maintaining reliability.



Significant public and private investment in research and development will be required to identify the most efficient, cost-effective, emissions-free technologies.

Significant resource development will be required to achieve CLCPA energy targets. The installed capacity to meet policy objectives is projected to triple by 2040, while the system will need to be more resilient to the impacts of severe weather.



111-124 Gigawatts
NEEDED BY 2040



Additional transmission investment is necessary to deliver renewable energy across the state and address constraints. Delays in the planned 2026 in-service date for Champlain Hudson Power Express, bringing 1,250 MW clean power from Hydro Quebec to NYC, would impact reliability as early as 2026.

In addition to supplying energy, many fossil generators provide reliability services that are essential to keep the grid in continuous balance. As fossil generators deactivate, the reliability services they provide must be identified and replaced.



Follow NYISO Continued Reporting

- ✓ The NYISO will continue to assess the reliability of the bulk grid through the quarterly *Short-Term Assessment of Reliability (STAR)*.
- ✓ In 2024 our *Reliability Needs Assessment (RNA)* will cover the study period through 2034

Essential Role of Competitive Markets

Markets shift the risk of investment from consumers to electricity suppliers.

The NYISO is leading the way in innovating market design to drive and incentivize:

- » **New technologies** such as: advanced nuclear, long-duration storage, hydrogen-fueled generators, and other emissions-free resources.
- » **Grid reliability services** such as operating reserves, ramping, regulation, voltage support, and black start.
- » **Balancing the intermittency** of renewable generation.
- » **Increased energy efficiency** and programs that reduce demand, especially when it is most critical for system reliability.



GET THE REPORT

https://www.oleantimesherald.com/news/great-lakes-cheese-begins-packing-operations-at-franklinville-plant/article_8486993e-d584-11ee-80f6-83f34f63f760.html

CENTERPIECE

FEATURED

Great Lakes Cheese begins packing operations at Franklinville plant

By RICK MILLER Olean Times Herald
Feb 27, 2024

1 of 2



This is the most recent drone photo of the new \$700 million Great Lakes Cheese state-of-the-art cheese plant off Route 16 north of Franklinville. The company earlier this month relocated some 30 packaging employees and 15 office employees from the plant. At full capacity, the plant will employ 500 workers.

Great Lakes Cheese photo

FRANKLINVILLE — The first Great Lakes Cheese Co. employees have settled into the new \$700 million state-of-the-art cheese plant along Route 16 north of the village.

Great Lakes Cheese began packaging operations earlier this month at the new plant that straddles the Franklinville/Farmersville town line.

There are about 30 employees in the packaging department and 15 from the Cuba office operations who have relocated from the Cuba plant, Matt Wilkinson, GLC vice president for technology and business development, said. There are some new hires in this group as well.

There are hundreds of tradesmen working to finish the plant, which will double the amount of cheese GLC will be able to produce.

Over the next three or four months, packaging operations at the Cuba plant will be relocated to Franklinville. "There should be around 200 employees at the facility over the summer," Wilkinson said.

Over the past year, Great Lakes has added about 70 people to its workforce and plans to add another 100 over the coming 18 months, Wilkinson said, adding, "The hiring has gone surprisingly well."

Initially, there were some concerns over the availability to hire another 250 employees, but the company's efforts and those of its partners in local economic development have overcome those concerns, he explained.

At full capacity, the new plant will employ around 500 employees, he added. That is about double the number of employees currently working at Cuba.

Great Lakes sought a suitable location near Cuba to retain its workforce.

Another reason Great Lakes wanted to stay in the area was the milk supply. Members from four milk co-ops currently provide 2 million pounds of milk a day at Cuba. That will more than double to 4.5 million pounds a day at full production. The farmers have had ample time to plan to increase production and will be ready, Wilkinson said.

Efforts to site a new plant in Allegany County collapsed in June 2021 when the company decided to seek another location. Owners of nearly 200 acres of property near Franklinville offered to sell to GLC later that year. In April 2022, ground was broken for what was then a \$500 million plant.

"We're pretty close to on schedule," Wilkinson said. "We should be producing cheese by the end of the year." He visits the site often and plans to visit on Wednesday from his office in Hiram, Ohio.

Contact reporter Rick Miller at rmiller@oleantimesherald.com.

https://www.oleantimesherald.com/news/assemblyman-joseph-giglio-wont-see-re-election-in-148th-district-has-served-19-years/article_5c9ec1f6-cc58-11ee-9e99-afd4ca703947.html

Assemblyman Joseph Giglio won't seek re-election in 148th District; has served 19 years

By RICK MILLER rmiller@oleantimesherald.com

Feb 16, 2024



Joseph Giglio

Olean Times Herald file photo

GOWANDA — Assemblyman Joseph M. Giglio will formally announce today he will not seek re-election in the 148th Assembly District in November.

Giglio was first elected in a special election in the then-149th District in 2005 to serve the remainder of Katharine M. Young's Assembly term after she was elected to the state Senate.

"It will be 19 years in June since I was first elected to the Assembly," Giglio said in an exclusive Olean Times Herald interview Thursday. "It's hard to realize it went by so fast. I still feel like the new guy."

Giglio made a simple promise when he was first elected in a special election against Democrat Carmen Vecchiarella, the Cattaraugus County Legislature minority leader from Salamanca.

"I promised everybody I would work very hard on their behalf and would not settle for any less than my absolute best," Giglio said. "I tried to do that as hard as anyone could."

Giglio laughed that rumors of him leaving have been "going on for a long time. Initially, he told himself, he'd stay only six terms — 12 years.

"I stayed seven years longer because there were things I wanted to do," Giglio explained. "Sometimes you need an incumbent in this seat to make sure we were protected."

GIGLIO WORKED across the political aisle because it is the only way to influence legislation if you are a Republican in the Assembly or state Senate where Democrats have super majorities.

As a state lawmaker, Giglio drew from his law enforcement background in the state Inspector General's Office, state Attorney General's Office and Cattaraugus County Sheriff's Office, where he served as director of operations.

He helped write numerous reports after holding public meetings across the state with bipartisan Assembly committees and Assembly minority task forces. Giglio said it was important to show majority Democrats the reasoning behind some issues that were hard to apply statewide. Recent issues he cited included cashless bail, COVID-19 and redistricting.

Why did Giglio decide now was the time to step back and not seek re-election?

"I've been at this for a long time," said the 69-year-old assemblyman.

He's driven back and forth to Albany for 19 years. "It gives you time to think," he said.

Lately his thoughts have turned to his family, his wife Ann and their four grown children and two grandchildren. "It takes a lot of family support for this job," Giglio said.

The assemblyman said since his family got SiriusXM for his car, he's been listening to a lot on the Classic Vinyl Channel — especially Bruce Springsteen. He also listens to Books on Tape.

Secondly, Giglio has the feeling "that now is the time to hand things off to someone else. There are probably a few people out there who would want this job."

GIGLIO DECLINED to talk about who might be interested in running for the Assembly seat.

"Whoever I hand it off to is going to have to do the same thing my office has done from the start, especially constituent service," he said. "We'll see what the field looks like. There are a few people out there who would do a real good job."

The 148th Assembly District includes all of Cattaraugus and Allegany counties, and six towns in Steuben County. The district has 67 towns, 19 villages, two cities and all or parts of three territories of the Seneca Nation of Indians.

Giglio is chairman of the Assembly Minority Conference's Committee on Standing Committees, part of the Republican leadership team in Albany. His current committee assignments include ranking member on both the Ethics and Guidance and Corrections committees, and member of the Codes and Rules committees.

Giglio thinks he has had a lasting impact as a member of the Medicaid Redesign Team under former Gov. Andrew Cuomo. "One of my motivations was to get Medicaid costs off the backs of county taxpayers. We did that to a point by capping administrative costs."

Coming from a law enforcement background, Giglio wanted to make sure Medicaid fraud was adequately addressed as well.

Another recurring battle was over Corrections Department staffing in prisons and closing of prisons. Domestic violence and the heroin/opioid crisis are other concerns Giglio has investigated and reported on to his colleagues.

"We have to find ways to get people into rehab and recovery; we changed the way doctors prescribe opioids, changed the laws to get people into recovery and created speciality courts to get people into recovery," Giglio said. "Those are the kinds of things I'm most proud of."

Another issue of keen interest to Giglio is school safety and security. Among the propositions he's advancing is a clearinghouse where school districts can look at a variety of safety plans.

The clearinghouse would also provide information on where school districts would get training for safety programs. "It would create a place for people to go for help — like a library for resources," Giglio said. Cattaraugus County's plans and training "is one of the examples of everybody working together."

Giglio said, "I've made a lot of friends on the other side of the aisle by building relationships with Democratic colleagues and doing his homework, he It's all about learning trust's able to explain why minority Republicans are against something. "That's when we come up with compromises. It's all about earning trust's." he added.

CATTARAUGUS COUNTY Republican Party Chairman Mark Heberling said Giglio informed him of his plans earlier on Thursday.

"Assemblyman Giglio has been in public service throughout his life and has had some huge accomplishments," he said.

"He has always stood up for law enforcement and the protection of citizens from his time with the Attorney General's office."

Giglio "has been a leader in the fight against bail reform and discovery reform," Heberling continued. "He's been an advocate for public safety and health. He's had a huge impact. He'll be missed. He will leave big shoes to fill."

Heberling also declined to discuss possible candidates who might run for the 148th Assembly District. Instead, he wished Giglio the best.

The county Republican Party is expected to meet to settle on a candidate in advance of circulating nominating petitions for the Assembly seat beginning on Feb. 27.

(Contact reporter Rick Miller at rmiller@oleantimesherald.com.)

Rural New York could see surge in evictions over the next 10 years, according to advocate

BY [SUSAN ARBETTER](#) NEW YORK STATE

PUBLISHED 7:30 PM ET FEB. 15, 2024

The housing crisis is hitting rural areas of New York, too. And according to the executive director of the Rural Housing Coalition of New York State, the governor's executive budget isn't helping.

"The governor's executive budget sort of neglected the needs of rural housing, and actually cut funding for housing," Michael Borges told *Capital Tonight*.

Borges mentioned cuts to programs which provide emergency repairs to the homes of seniors and modifications to the homes of disabled veterans. There were also cuts in the governor's executive budget to a network of nonprofit rural housing organizations that implement various programs throughout rural New York.

"It flies in the face of logic; it's like cutting funding for the police department in the middle of a crime wave," Borges said.

Even more alarming than the funding cuts is the possibility of a surge of evictions in some of the most rural counties in the state.

The United States Department of Agriculture's "Section 515" program, established in 1949 by President Harry Truman, is sunsetting. The program provided low-cost financing for the construction of affordable, multi-family rental housing in rural communities.

A building boom using this program began in the 1980s, which means the 30-year mortgages for these homes are just about up.

"When the mortgages expire, the affordability protections and the rental assistance that goes with them go away," Borges said. "So, people who are living in those kinds of apartments may be kicked out because they don't get the rental assistance anymore and can't afford to live there. Or the landlord decides, I'm going to charge market-rate rents."

The issue is exacerbated by the fact that in rural areas, there are no places for this cohort of renters to go.

"In rural communities, 75-78% of the housing stock is owner-occupied, so only a quarter is rental," he said. "If you're looking for another rental place to go, it's scarce."

There are about 400 "Section 515" projects throughout the state, housing about 15,000 households. Many of the residents are low-to-moderate income, elderly and/or disabled. Their average income is \$18,000 per year.

"These are the poorest of the poor," Borges said. "The state needs to step up and preserve the housing that we do have."

To prevent the evictions, the Rural Housing Coalition is looking to the state for \$25 million to fund the Mitchell-Lama Housing Program to fund acquisition and rehabilitation of these properties by entities that would preserve their affordability.

The 10 counties that would lose the most USDA "Section 515" properties by 2030 are in Wayne, Washington, Chenango, Cattaraugus, Seneca, Wyoming, Orange, Oneida, Tompkins and Erie.

Updated Aug 14, 2023 - Economy

U.S. banks are making it much harder to borrow money

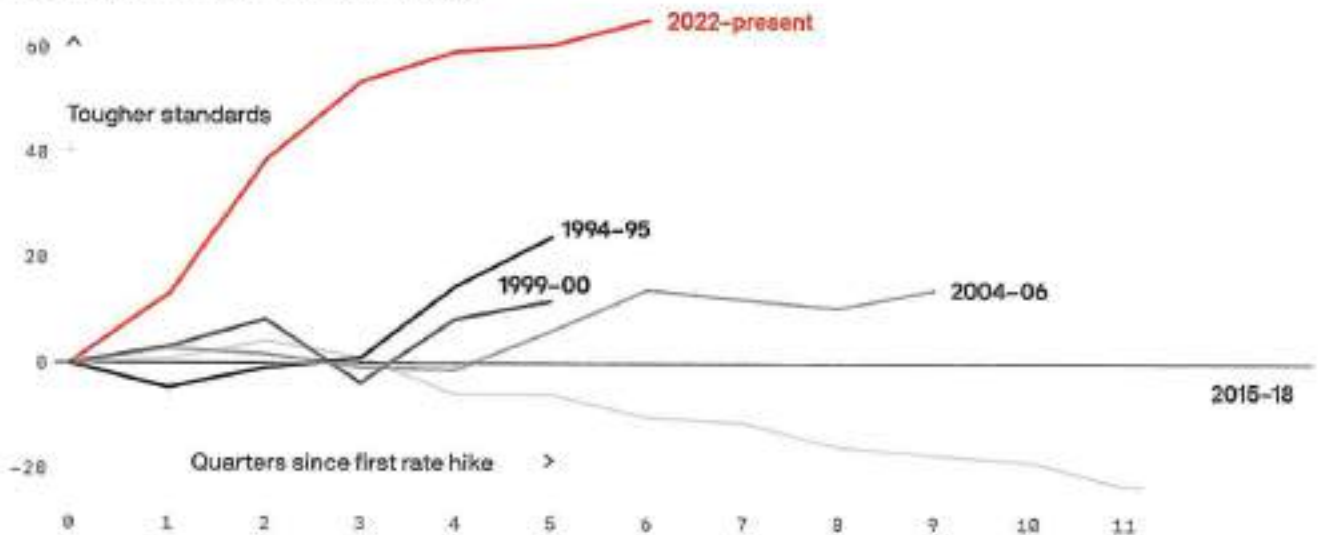


Courtenay Brown, author of [Axios Macro](#)



Change in bank lending standards, by hiking cycle

Cumulative percentage point change for commercial and industrial loans to medium and large firms; According to the Federal Reserve Senior Loan Office Opinion Survey



Data: Evercore ISI; Chart: Will Chase/Axios

America's banks have become [more reluctant to lend money](#) to businesses and households — an intended side effect of the Fed's rate-hiking campaign.

Why it matters: New research shows that phenomenon playing out to an extraordinary degree. Making credit more expensive and harder to get will weigh on economic activity and quell inflation.

- This [spring's bank failures](#) may have also sped up that process, though the extent to which that has happened remains unclear.

- In some ways, that's to be expected: Easy lending conditions after the pandemic recession were met with a fierce campaign to cool down the economy in 2022.
- Banks responded in kind: A surge in inflation and higher rates on the horizon gradually made firms more reluctant to lend, for fear of how borrowers would handle the macroeconomic backdrop.

What they're saying: "This sort of tightening in credit standards is something that the U.S. economy has not experienced during the past monetary tightening cycles of the last few decades," Marco Casiraghi, a policy and macro strategist at Evercore ISI, tells Axios. "It's reasonable to expect this will eventually bite, to some extent."

Where it stands: The latest [Senior Loan Officer Opinion Survey](#) shows the largest share of banks (a net 51%) reporting tighter lending standards for larger and medium-sized firms since the period following the onset of the pandemic and, before that, the 2008 financial crisis.

- At a news conference last month, Fed chair Jerome Powell said the economy is "facing headwinds from tighter credit conditions for households and businesses, which are likely to weigh on economic activity, hiring, and inflation."

The intrigue: In previous periods when banks tightened credit, the Fed lowered rates to encourage bank lending to grease the wheels of the economy.

- "This is what makes this cycle different from others. In the past decades, conditions at some point became very tight, but it was not because of the Fed," says Casiraghi.
- Then, "the Fed was trying to undo that, in some sense, because they were cutting rates to try to make credit flow to the economy. Here, we have the opposite."

Of note: An easy explanation for the historic shift in credit standards is just that the Fed has raised rates by a historic amount in a short period.

- But even adjusting for the magnitude of rate hikes, "the tightening in credit standards observed now is twice as large as what it was" compared to the 2004-

Evercore found — likely as a result of credit becoming more costly and difficult to get.

What to watch: "The current magnitude of impact seems to be suggesting the passthrough to the bank lending channel in the US so far may be ... more timely and stronger than in the past," Casiraghi wrote in a note.

f X in

Go deeper



Matt Phillips, author of [Axios Markets](#)
1 hour ago · Business

How Wall Street banks fought to keep control of a profitable but secretive trading business



Illustration: Shoshana Gordon/Axios

Court documents reviewed by Axios show just how alarmed Wall Street banks were by efforts to regulate their derivatives trading desks after the [2008 financial](#)

financial sector's attempts to shape the rules and shield key profit centers — a technique alive and well today. They were produced during discovery in an ongoing litigation and later seen by Axios.

Go deeper (7 min. read) →



Rebecca Falconer, Andrew Freedman
Updated 2 hours ago - Energy & Environment

Fresh atmospheric river disrupts travel in storm-hit California



Parts of California's busy U.S. Highway 101 at Ventura were closed on Monday due to flooding in an area where drainage repairs were underway, per the California Department of Transportation. Photo: [Caltrans District 7/X](#)

Another [atmospheric river](#) continues to bring heavy rainfall across California — prompting water rescues, disrupting travel and bringing the threat of flooding, mudslides and possible tornadoes.

The big picture: Santa Barbara Airport [shut](#) Monday due to flooding, as flash flood warnings were issued for the Hollywood Hills, Beverly Hills and Santa Monica Mountains and flood [watches](#) stretched across much of California's coast.

Here's when the Federal Reserve could cut interest rates in 2024

The Fed says rates will most likely be cut in 2024. But it wants more positive signs from the economy.

Updated Tue, Feb 13 2024

[Kelsey Neubauer](#) and [Dan Avery](#)

Will the Federal Reserve lower interest rates? It's a matter of when, not if, according to the central bank. But the Fed [has indicated](#) that consumers shouldn't expect any cuts until at least the spring.

To combat [ongoing inflation](#), it raised the [federal funds rate](#) 11 times between March 2022 and July 2023. After its December 2023 session, the Fed forecasted it would make three quarter-point cuts by the end of 2024 to lower the benchmark rate [to 4.6%](#).

Prices have started to come down, but the group has signaled it wants to see more positive data before pulling the trigger.

At the first meeting of 2024, held Jan. 30 and 31, the Federal Open Market Committee (FOMC) [held interest rates steady](#) at a target range of 5.25 to 5.5%, the highest it's been [in more than 20 years](#).

The FOMC will have seven more opportunities to cut interest rates this year, starting with its next meeting on March 19 and 20.

Below, [CNBC Select](#) looks at when the Fed could lower interest rates, the factors it uses to consider changes and what consumers can do when rates come down.

What we'll cover

- [When will the Fed cut interest rates?](#)
- [What is the federal funds rate?](#)
- [What you should do while waiting for rates to go down](#)
- [What you should do when rates go down](#)
- [Bottom line](#)

When will the Fed cut interest rates?

The FOMC meets eight times a year to discuss whether to adjust the [federal funds rate](#), a benchmark that governs overnight lending between commercial banks. Led by Federal Reserve Chair Jerome Powell, the group of 12 considers inflation, employment and the rate of borrowing in its decisions, among other economic factors.

The committee already convened on Jan. 30 and 31, when it [decided not to change the rate](#). Here are the remaining dates the FOMC will meet in 2024.

- March 19 to March 20, 2024
- April 30 to May 1, 2024
- June 11 to June 12, 2024
- July 30 to July 31, 2024
- Sept. 17 to Sept. 18, 2024
- Nov. 6 to Nov. 7, 2024
- Dec. 17 to Dec. 18, 2024

The chair of the Federal Reserve has said that while the committee agrees a rate cut this year would be appropriate, it's unlikely to happen in March.

That pushes the timeline to the next meeting, which ends May 1.

What is the federal funds rate?

The Federal Reserve requires banks and other depository institutions to hold 10% of their deposits in reserve. Banks will loan each other money back and forth to stay as near to that threshold as possible without dipping below it.

The FOMC sets the interest rate the banks can charge each other, known as the [federal funds rate](#). Banks, so they can continue to make a profit, then adjust the interest rates they charge consumers.

The fed fund rate has been 5.25% to 5.50% since July 2023. That's the highest since January 2001, when it [rocketed to 6.00%](#) in the wake of the dot-com bubble burst.

When the FOMC raises the target range, it becomes more expensive for consumers to borrow money. Since the recent slew of hikes, for example, the average [credit card interest rate](#) soared from 16.34% in March 2022 to nearly 21% in January 2024.

That may sound bad, but it can help slow the economy and lower inflation.

When the Fed lowers the benchmark rate, it becomes easier to borrow. That sounds great, but it opens the door for a possible spike in inflation.

What you should do while you wait for interest rates to go down

It could be a while before rates drop, but there are still some things you can do to get ready.

Open a certificate of deposit

When the Fed lowers rates, [annual percentage yields \(APY\)](#) on savings accounts dip, too. But [rates on CDs](#) are locked in when you open the account and stay fixed even if APYs decline.

Read on: [Banks with the best CD rates](#)

A high-yield [Ally Bank® CD](#) with an 18-month term has a 4.50% APY, with no monthly fees or minimum deposit requirements. Two- and four-year CDs both have a 3.75% APY but savers can adjust their rate if it goes up for their term and deposit amount.

[Ally Bank® CDs](#)

ally

Annual Percentage Yield (APY)

From 3.00% to 4.85% APY

- **Terms**

From 3 months to 5 years

- **Minimum balance**

None

- **Monthly fee**

None

- **Early withdrawal penalty fee**

High Yield CDs and Raise Your Rate CDs have early withdrawal penalties that vary based on your CD term. With the No Penalty CD, withdraw all your money any time after the first 6 days following the date you funded the account and keep the interest earned with no penalty.

Terms apply.

Prime your credit score

If you've been waiting for rates to go down to apply for a mortgage or personal loan, now's the time to get your ducks in a row. Your credit score is one of the biggest factors lenders use to determine whether you'll get approved and the rate you'll be offered. [A credit score of 620](#) is considered the baseline for a conventional mortgage, but if you boost your score to at least 750, you could qualify for the most competitive rates.

- **Make on-time payments in full.** Payment history is the most important element of your credit score. (You'll also avoid [late fees and interest charges](#).)
- **Request higher credit limits.** A solid record of on-time payments or a bump in income is usually necessary, but if you can raise your credit limit and keep your balance the same, it'll lower your [credit utilization ratio](#), which accounts for 30% of your [FICO® Score](#). (Just don't think of the additional credit as a green light for spending more.)
- **Hold off on new lines of credit.** The application [could require a hard inquiry](#) that dings your credit and, if you're approved, it will lower the average age of your accounts.

[eCredable Lift®](#) is a paid service that sends information about positive utility payments to TransUnion, one of the [three major credit-reporting agencies](#). Utility companies aren't typically included on credit reports, so on-time payments wouldn't otherwise help you build credit.

For \$9.95 a month, you can link up to eight accounts – including your phone and internet – and report up to 24 months of payment data. For \$14.95 a month, [eCredable LiftLocker™](#) adds budgeting tools, [identity theft](#) alerts and [credit monitoring](#), among other benefits.

*[Experian Boost™](#) also adds household payments to your report, but it's free and it works with Experian, rather than TransUnion. According to the company, users whose FICO Scores improve see an average increase of 13 points.

[Experian Boost™](#)



- Cost
Free
- Average credit score increase
13 points, though results vary
- Credit report affected
Experian®
- Credit scoring model used
FICO® Score

Results will vary. See website for details.

How to sign up for Experian Boost:

1. Connect the bank account(s) you use to pay your bills
2. Choose and verify the positive payment data you want added to your Experian credit file
3. Receive an updated [FICO® Score](#)

Learn more about [eligible payments and how Experian Boost works](#).

What you should do when rates go down

Here are a few financial options to consider once the Fed does slash interest rates.

Refinance your mortgage

If you bought your home when rates [were peaking in 2023](#), now would be a good time to [refinance](#). After the Fed cuts the fed fund rate, mortgage rates should follow suit.

One of [CNBC Select's top picks](#) for mortgage refinancing, [Ally Bank](#) offers fixed and adjustable rate terms with no application, origination, processing or underwriting fees. That can save you thousands. (Ally doesn't offer refinancing in Hawaii, Nevada, New Hampshire or New York, however.)

[Ally Home](#)

ally

- Annual Percentage Rate (APR)
Apply online for personalized rates; fixed-rate and adjustable-rate mortgages included
- Types of loans
Fixed-rate, adjustable-rate and jumbo loans available
- Fixed-rate Terms
15 - 30 years
- Adjustable-rate Terms
5/6 ARM, 7/6 ARM, 10/6 ARM
- Credit needed
Not disclosed

Terms apply.

Refinance your student loans

Interest on student loans should also fall after the Fed makes cuts. Borrowers have felt the squeeze since the three-year moratorium on payments ended in October 2023.

[SoFi](#) offers terms of up to 20 years for refinancing student loans, with a 0.25% discount on your rate if you sign up for monthly autopay.

Read on: [Best student loan refinance companies](#)

[SoFi](#)



[LEARN MORE](#)

- Eligible borrowers
Undergraduate and graduate students, parents, health professionals

- **Loan amounts**
\$5,000 minimum (or up to state); maximum up to cost of attendance
- **Loan terms**
Range from 5 to 15 years; up to 20 years for refinancing loans
- **Loan types**
Variable and fixed
- **Borrower protections**
Forbearance options like unemployment protection available
- **Co-signer required?**
No
- **Offer student loan refinancing?**
Yes - [click here](#) for details

Terms apply.

Pay off high-interest credit cards

Once rates go down, [the annual percentage rate \(APR\)](#) on your credit cards will likely drop, as well, making it easier to polish off those balances.

So, prioritize making sizeable payments now before rates go up again later.

Subscribe to the CNBC Select Newsletter!

Money matters – so make the most of it. Get expert tips, strategies, news and everything else you need to maximize your money, right to your inbox. [Sign up here.](#)

Bottom Line

The Federal Reserve has seven more chances to cut rates in 2024. When it happens, all kinds of borrowing will be easier for the average American. But there are several smart money moves you can make before then, too

Why trust CNBC Select?

At CNBC Select, our mission is to provide our readers with high-quality service journalism and comprehensive consumer advice so they can make informed decisions with their money. Every personal finance article is based on rigorous reporting by our team of expert writers and editors with extensive knowledge of financial products. While CNBC Select earns a commission from affiliate partners on many offers and links, we create all our content without input from our commercial team or any outside third parties, and we pride ourselves on our journalistic standards and ethics.

WIVB

ELLICOTTVILLE, N.Y. (WIVB) – The holiday weekend is drawing thousands of people near and far to Ellicottville and to the slopes at Holiday Valley. News 4 caught up with skiers and snowboarders taking advantage of the winter weather.

"You can't ask for a better weekend in these conditions. We're taking a family vacation up here with another family and we really haven't had any snow this winter. This timing was perfect," said Gretchen Heil, who traveled from Cleveland.

"It's amazing. Come out with the family and certainly a lot colder than sunny Florida but the conditions have been wonderful," said Adam Temple who's visiting Ellicottville from Florida.

The winter conditions have been hit or miss all season. The resort recently invested in its snow making equipment. Marketing director Dash Hegeman says that's been a "saving grace."

"It's been an interesting season for sure. We've had a lot of ups and downs in terms of the weather and you're going to have that in WNY. These days are the days that we absolutely live for and we're excited about that," said Dash Hegeman, who's the marketing director at Holiday Valley.

Mother natures pulled through this weekend. The resorts has 42 trails open and all 13 of its lifts up and running. Hegeman expects around 20,000 people will visit the resort over the 3 day weekend.

"We're happy, look at the mountain, there's a ton of snow. It hasn't been a great season I'm told. So we're happy to be here, skiing," said Mitch Faigan, who was visiting from Canada. "Normally we ski local, we're from Toronto and there's some good mountains. But we thought let's try something different and it's not a long drive so here we are."

"They're doing a great job managing the crowds. There's a lot of people but everybody is in good spirits, the lines are moving fast and it's a big mountain, once you get up there it's not so crowded," said Heil.

ENERGY & ENVIRONMENT

Why a clean energy giant based in Florida is battling a green project in New England

No one in the U.S. builds more solar and wind farms than NextEra Energy. It's waging ferocious battles to keep the crown.



Heavy machinery is used to cut trees to widen an existing power line corridor near Bingham, Maine. The state's plan to bring Canadian hydropower to New England has ignited political and legal battles between energy companies. | Robert F. Bukaty/AP

By BENJAMIN STORROW
02/25/2024 07:00 AM EST



The United States' top developer of green energy has spent nearly six years undermining a project vital to generating clean power in New England — a stance critics say belies the company's branding as a leader in the fight against climate change.

Florida-based NextEra Energy has fought to block a transmission line for Canadian-generated hydropower by opposing it at two state supreme courts, the Federal Energy Regulatory Commission and the ballot box — twice. Its tactics, overseen in part by a public relations firm with a history of defending coal, recently led a Maine ethics agency to issue [its largest-ever fine](#) against an organization working on NextEra's behalf.

NextEra's campaign has delayed the power line's construction for almost two years, leaving the region overwhelmingly dependent on natural gas. Its opposition highlights an uncomfortable reality for climate advocates: Powerful “It just shows you that these companies are not fundamentally allied with the climate movement, not fundamentally on the side of climate progress,” said Leah Stokes, a professor at the University of California, Santa Barbara, who has studied utility opposition to climate policy. “They are just monopolies who sit on the bridge like a troll and try to protect their own profits.”

NextEra spokesperson Chris McGrath defended its opposition to the line, saying no other company had done “more to drive the transition to clean energy” or “invested more in the nation's electrical infrastructure in the past decade.”

But he argued that new transmission projects should be used for domestic energy, and the company has asserted in legal filings that the line might fail to deliver its promised environmental benefits. That echoes concerns expressed by some green groups about the power line's potential impacts on forests and rivers.

“Our concerns around the transmission line in question stemmed from our belief that newly constructed transmission in the U.S. should support U.S.

power generation — both new and existing clean energy,” McGrath said in a statement.

NextEra’s national fleet of wind and solar farms generates more renewable electricity than any other company in the country. It built the largest utility-scale solar project in New England, a 77-megawatt facility in Maine with enough power to supply about 15,000 homes. And its executives have been vocal about climate action, praising passage of President Joe Biden’s [Inflation Reduction Act](#) and calling for increased cooperation among companies and governments during climate talks last year in Dubai, United Arab Emirates.

But the company also has a history of defending its turf against other clean energy initiatives at a time of record-high global temperatures. NextEra’s campaign in New England echoes its fight against rooftop solar incentives in Florida, where it operates the country’s largest utility.

In New England, the power line, called New England Clean Energy Connect, represents potential competition for NextEra’s fleet of power plants.

Battles fought, battles lost

The transmission line would run 145 miles through Maine, from the Canadian border to a substation in the southern part of the state, where it would inject power generated by dams in Quebec into New England’s electric system.

The project has divided environmentalists, pitting those who say it’s needed to back up wind and solar against those who worry about the ecological impact of sawing down trees and damming rivers.

But nowhere has the fight been more intense than between power companies.

It began in 2018, when Massachusetts awarded a 20-year contract to the line’s two developers, Avangrid and Hydro-Québec. The contract would make the project one of the region’s largest power sources, providing enough electricity to meet about 7 percent of annual demand.

NextEra jumped into the fight almost immediately.



A Hydro-Québec energy project operates Canada. | Jeffrey Ulbrich/AP

It operates Seabrook Station, a massive nuclear power plant in New Hampshire; an oil-fired power plant in Maine; and renewable facilities across the region. The company challenged the legality of the line's power contracts in Massachusetts, contending they failed to meet state requirements for clean energy. The argument reached the state's highest court, [where NextEra lost](#).

In Maine, it challenged the project by arguing that utility regulators failed to consider its impact on renewable energy projects and state woodlands. [It lost there](#), too.

And when New England's grid operator determined that a circuit breaker at Seabrook needed to be upgraded to accommodate the injection of hydropower, NextEra asked federal regulators to ensure it was compensated for lost operating time. In response, FERC said Avangrid needed to pay for the upgrade, but not lost revenues. NextEra is appealing the decision in federal court.

Alison Silverstein, a grid consultant who served as an adviser to former FERC Chair Pat Wood III, said NextEra has a history of trying to shield its power plants from competition. In this case, those efforts conflict with Massachusetts' climate goals, she said, because the state has directed its utilities to buy large amounts of hydropower to back up wind and solar energy.

"It would appear the public purpose and the will of the state is something that NextEra is willing to block," Silverstein said.

'Disturbing evidence'

In November, the Maine Commission on Governmental Ethics and Election Practices issued fines to two organizations connected to the company. Ethics committee documents and testimony show the groups were directed by consultants working on behalf of NextEra to block the line.

One of the groups, Alpine Initiatives, failed to register as a political action committee before making a \$150,000 contribution to the Maine Democratic Party, a move that ethics officials said masked the source of payment from the public. The contribution was an attempt to ingratiate the consultants to Democratic officials as they looked for allies in their fight against the power line, [the commission said](#). As part of a consent agreement, officials with Alpine Initiatives agreed to pay a \$160,000 fine in exchange for not having to admit guilt.

The commission fined Stop the Corridor, a second group led by NextEra-hired consultants, \$50,000 for failing to register as a ballot committee after it hired field workers to gather signatures needed to place a question on the 2020 ballot that asked voters to block the line. Stop the Corridor also signed a consent agreement that allowed it to avoid admitting guilt.

The Maine Supreme Judicial Court blocked the ballot question. But the following year, opponents of the line gathered enough signatures to add another question to the ballot that would have blocked the project.

NextEra spent more than \$20 million to support this question, while Avangrid and Hydro-Québec, the Canadian utility that would send power to New England, put up more than \$50 million in an attempt to defeat it. The question ultimately passed with the support of nearly two-thirds of voters, temporarily halting construction. Maine's highest court later invalidated the result.



A painted window sign expresses opposition to a proposed 145-mile transmission line to bring Canadian hydropower into New England in Freeport, Maine, in 2021. | Robert F. Bukaty/AP

NextEra is not named in the two consent agreements, which refer only to “the client” who hired the consultants. But the paper trail leads back to the company. Stop the Corridor’s consent agreement notes that the client is identified in a campaign finance report attached to the deal. That report lists a solitary contribution: a payment of \$95,726 from NextEra Energy Resources, the company’s renewable development and wholesale electricity arm.

During a November meeting of the Maine ethics commission, a lawyer “speaking on behalf of Stop the Corridor as well as the client” [argued that the client](#) would face “reputational harm” if the consent agreement identified it.

“The client is not being accused of any unlawful activity in this proceeding, and is facing no liability,” Paul McDonald, a lawyer at Bernstein, Shur, Sawyer and Nelson, told the commission. Bernstein Shur helped establish and run Stop the

But when questioned by Commissioner David Hastings III, a Republican, McDonald acknowledged the client was named in the campaign finance report attached to the Stop the Corridor deal. Hastings also asked if the client named in the Alpine Initiatives case was the same. McDonald said it was.

“I want to make very clear that the client is identified at least in exhibit B,” Hastings said, referring to the campaign finance report.

NextEra Energy did not respond to a question asking if it was the client. Instead, the company issued a statement echoing the terms of the consent agreement.

“NextEra Energy Resources is not a party to the consent agreements approved by the Maine Ethics Commission, and the agreements do not conclude that our company engaged in any wrongdoing,” said McGrath, the company spokesperson. “The agreements also do not conclude that our company failed to report any activity whatsoever.”

Avangrid took the opposite view. In a statement to POLITICO’s E&E News, the Connecticut-based utility said the ethics commission’s findings “provide direct and disturbing evidence that NextEra took nefarious and deceitful action to exclude competition and put its own bottom line ahead of the interests of New England residents and businesses.”

‘Subverting the whole plan’

NextEra is the most valuable publicly traded power company in the country, with a market capitalization around \$117 billion, and has pledged to achieve “real zero” emissions by [eliminating carbon dioxide pollution](#) from its operations by 2045.

But analysts said NextEra's fight against the transmission line resembles its opposition to rooftop solar in Florida. A joint investigation by the British newspaper *The Guardian* and the U.S.-based environmental news site Floodlight found [that a lobbyist](#) for Florida Power and Light, a NextEra subsidiary, had written large parts of a bill that would have gutted the state's rooftop solar industry. Republican Gov. Ron DeSantis vetoed the bill.



NextEra's campaign in New England echoes its fight against rooftop solar incentives in Florida, where it operates the country's largest utility. | Rebecca Blackwell/AP

J. Timmons Roberts, a professor of environmental studies at Brown University, said NextEra's campaigns in New England and Florida are part of a wider trend in which utilities seek to protect themselves from competition.

"For them to be subverting the whole plan here is pretty devastating for the energy transition," Roberts said. "We need, badly, all the wind and solar we can get on the grid, and we need the interconnection cable to Canada to balance the

NextEra's fight comes as state officials in New England seek to green the grid by awarding long-term power contracts to renewable energy developers, existing nuclear plants and hydropower operators.

That has prompted objections from power plant owners, who worry they could lose market share to competitors with fixed priced contracts. The transmission line received a 20-year power contract from Massachusetts to deliver 9.45 terawatt-hours of electricity annually, or enough to meet 7 percent of the region's electric needs. The power will be consumed throughout New England because the region operates a single electricity system.

Canadian river power

It was against that backdrop that NextEra emerged as a chief opponent of the transmission line.

Roberts said NextEra's legal challenges jeopardize climate efforts in New England, where five of the six states have legally binding requirements to make deep cuts in greenhouse gas pollution by the end of the decade. Those reductions are unlikely to materialize without a massive build-out of renewable energy, an increase in Canadian hydropower imports and the continued operation of Seabrook, he said.

Massachusetts officials estimated the line would reduce CO₂ emissions by 36 million tons over its 20-year power contract. CO₂ pollution from power plants in New England was 25.5 million tons in 2023, according to EPA data.

Stokes, of UC Santa Barbara, called hydropower "an amazing resource" that can reduce the region's reliance on natural gas, which accounts for more than half of New England's power generation.

"Would you rather have hydropower, clean hydropower from Quebec, or would you like to keep burning fossil gas?" Stokes said. "And my choice is I'm going to take the hydropower."

NextEra questioned the environmental benefits of the transmission line. In its legal challenge over the line's power contract in Massachusetts, it questioned whether the [project would cut emissions](#) to the degree promised, by arguing that the contract failed to guarantee additional imports of hydropower above what Hydro-Québec already sells to New England. The Massachusetts Department of Public Utilities and the state Supreme Judicial Court rejected that argument.

Persuading Democrats

The consent agreements released by the Maine ethics commission show how NextEra political consultants sought to influence public opinion around the power line.

NextEra, identified as the client in commission documents and testimony, hired the Hawthorn Group, a public affairs and consulting firm based in Alexandria, Virginia. The firm is perhaps best known for representing the American Coalition for Clean Coal Electricity during the congressional debate over cap and trade in 2009, when one of its contractors forged letters to

AD

In Maine, Hawthorn turned to Bernstein Shur, a local law firm, to lead the campaign against the transmission line. Bernstein Shur and another Maine political consultancy, which was not named in the consent agreement, founded Stop the Corridor in April 2018 — around the time Massachusetts awarded the line's developers a 20-year power contract.

Stop the Corridor arranged for opponents to attend municipal meetings, sought to shape public opinion through advertising, and worked with other groups to draft comments to state and federal agencies, [the ethics commission said](#).



A home in Bingham, Maine, displays signs protesting the power line. | Robert F. Bukaty/AP

Bernstein Shur provided regular updates to the Hawthorn Group on phone calls held every two weeks. Sometimes, a NextEra employee joined the calls in listen-only mode. The client, later identified as NextEra, financed Stop the Corridor through the Hawthorn Group, the commission said.

As the 2018 midterm elections approached, Bernstein Shur contacted the Maine Democratic Party to provide a political contribution. The consultants thought Democrats would be more likely to oppose the line than Republicans, the consent agreement said, but they did not publicly disclose the reason for the contribution or the donor's name.

The Hawthorn Group told Bernstein Shur not to reveal the client's identity, so the consultants avoided taking any action that would require the disclosure of

the company's name, the ethics commission found. Instead, the law firm formed Alpine Initiatives to make the \$150,000 contribution — Alpine's only transaction during its 14-month existence.

AD

Representatives from Bernstein Shur and the Hawthorn Group did not respond to requests for comment.

Annina Breen, a spokesperson for the Maine Democratic Party, declined to comment on Alpine's contribution. "The MDP was never the subject of the commission's investigation and no wrongdoing has been found or was ever even alleged on the part of the MDP," she said.

NextEra also made alliances with environmental groups. Some of them shared the company's view that the project would fail to cut carbon pollution and objected to its plans to saw down a 50-mile strip of forest for the transmission corridor in Maine.

The consent agreement names the Natural Resources Council of Maine and the Sierra Club as groups that worked alongside Stop the Corridor to oppose the project. The Sierra Club felt the region should be focused on building domestic renewables rather than supporting Canadian hydropower to meet its climate goals, said Matt Cannon, who leads the Sierra Club's conservation and energy program in Maine.

“We did not feel like they had enough data to support the claim that it was clean energy,” Cannon said.

Asked if the Sierra Club had coordinated with NextEra, Cannon said, “Absolutely not.”

A spokesperson for the Natural Resources Council of Maine did not respond to requests for comment.

Avangrid resumed construction of the line last fall, but the project’s costs have ballooned from \$950 million to \$1.5 billion due to inflation. NextEra’s legal battle, meanwhile, continues in the U.S. Court of Appeals for the District of Columbia Circuit, where the company is appealing FERC’s circuit breaker ruling. The next window for making the upgrade will come this fall, when Seabrook is scheduled to go offline to refuel.

The court battle appears to contrast with the message that a NextEra executive delivered during the COP28 climate talks in Dubai two months ago.

[In an interview with the Atlantic Council](#), NextEra Energy Resources CEO Rebecca Kujawa hailed progress in cutting greenhouse gases from U.S. power plants. She added that much of the easy work had been done, and called on governments and companies to work together on deeper emission cuts.

“Our goals at COP is to help influence government policy, other commercial entities, stakeholders that have a part to play, to really engage with one another,” Kujawa said. “There is no single company, there is no single industry that is going to help us accomplish our goals.”

FILED UNDER: FERC, MAINE, MASSACHUSETTS, HYDROPOWER, NEW ENGLAND

Playbook

The unofficial guide to official Washington, every morning and weekday afternoons.

EMAIL

