

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

April 9, 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. Joseph Higgins
Mr. James (Joe) Snyder
Mr. Brent Driscoll
Mr. Michael Wimer
Ms. Ginger Schroder
Mr. Thomas Cullen

Excused:

None

CCIDA Staff/Counsel:

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

Presenters/Guests:

Mr. David Trathen, Win-Sum Ski Corp.
Mr. John Borer, Edelweiss Dairy, LLC (via phone)
Mr. Jason Grubbs, Frazer Lanier (via phone)
Mr. Bob Clark, *Olean Times Herald* (via zoom)

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, Ms. Schroder and Mr. Cullen were present.

Mr. Buffamante indicated there is a short agenda but potentially a long executive session so we can work through the agenda pretty quickly.

A Motion was made by Ginger Schroder seconded by Michael Wimer by to accept the Board Meeting Minutes from March 12, 2024 as presented to the Board. All in favor. **Motion Carried.**

New Applications/Projects

1.) – Win-Sum Ski Corp.

-Mr. Wiktor introduced David Trathen from Win-Sum Ski and asked if could give a brief overview of the project and the recap of their year and indicated the Application is for sales tax only abatements, no real property tax or mortgage recording tax abatements are being sought. Mr. Trathen indicated they do not have a big project this year as they are scaling back a little bit. He indicated snow making is probably their number one thought that comes to mind for the summer as they really saw over this type of winter this year, they had some holes in the snowmaking automation where they need to add some guns so they can cover up those issues and make improvements as this type of winter may become more of a normal over the years. Regarding the snowmaking pipeline, they have a large investment going for \$300,000 as their infrastructure structure is aging into the ground and a lot of the pipe is 20-30 years old so they are going to work hard all summer on replacing and troubleshooting some of the areas where they have leaks. They are continuing to do the last phase of the Inn renovations with mattresses, painting, carpet and refreshing all of those rooms to what travelers expect. As far as the IT budget, they are transitioning their food and beverage IT operations to in-house operations. They are also installing light-ars in 2 of their groomers which are radars that look forward about 100 yards out and give the drivers a picture of how much snow is between the ground and where they are dragging so they can move the snow where it is needed to give more consistent levels and create better skiing. They are putting up some LED slope lighting which are energy efficient and more consistent lighting for the skiers. Mr. Trathen further indicated their lift sales were down about 16% for the year, season passes were off about 5%, but their multi-week ticket program and school programs were up about 10% across the board. He indicated it was an up and down year, but were able to get their 115 days in as they were able to make snow that cold week in March and people really reacted, and they got a lot of good publicity. Mr. Trathen thanked Mr. Wiktor and Board for all their assistance and extended his appreciation. Mr. Wiktor indicated he would set up and Public Hearing in Ellicottville as the benefits are over \$99,000 and Mr. Buffamante indicated there is no Board action to be taken at today's meeting.

-Win-Sum Ski Corp. has submitted an Application to the Agency for seeking NYS sales tax abatement (ONLY) relating to various upgrades and improvements on equipment purchases to increase the efficiency of the resort, which include: Snowmaking guns, snowmaking pipeline, renovations to the Inn technology projects, new pickle ball court. A 4-season capital reinvestment project.

-The Total Project Investment: \$2,459,120

2.) – Edelweiss Dairy LLC

-Mr. Wiktor indicated Mr. John Borer of Edelweiss Dairy LLC and Mr. Jason Grubbs are attending via phone and Mr. Russell Gaenzle, Harris Beach's Legal Bond Counsel and asked to give a brief overview of the project as Edelweiss Dairy had previously completed a Bond Application; however, was the consensus to have them complete the lease/leaseback Application with CCIDA. Mr. Gaenzle indicated as a refresher, when CCIDA issues tax exempt bonds, it is on a conduit basis and there is no liability to the IDA, Town, State or County as it is for the purpose of providing exemption from federal income tax. There are certain types of projects that qualify from a tax perspective and what Edelweiss Dairy is looking to do is basically a solid waste disposal, the numbers are fluid and looking at approximately a \$32 million dollar project of which will be partial tax-exempt bonds, but they do not have the hard and fast numbers. The process is the Application which requests CCIDA to issue the bonds as well as provide the traditional exemptions, the PILOT, sales taxes etc. assuming the board

adopts the resolution that we prepared today, the next step would be to have a GML hearing, a joint hearing for state and federal law purposes and they will coordinate with CCIDA to set up. Thereafter, the Company would have to come back to CCIDA for final approval and have applicable people sign off. Mr. Gaenzle further indicated it will take a few months for the process, best case scenario, as there is work to be done. Mr. Buffamante asked who would be buying the bonds as lot of times it is a bank, but heard there was talk of possible individuals buying the bonds. Mr. Gaenzle responded that he has not had that discussion yet, however their firm works with several bankers and all of that will be flushed out over the course of the next several months and when they come back to the Board, they will have a final deal.

-Mr. Wiktor indicated is great to see this level of investment in dairy and agriculture and the if the Board can further help and assist, it would be paramount with this project to bring it forward. He further indicated the \$15,000,000 figure is not from the County of Cattaraugus IDA given to the applicants, it is an investment in a federal program that allows access to this capital and not money in hard dollars delivered to the farm. In addition, the project is not taking off any real property value that is already there, this is on value and investment added to the project.

-Mr. Murray indicated the Resolution submitted to the Board today is for initial action required by the internal revenue code and is not the final approval as we have not completed SEQ. He said it is an important Resolution for the Company as it gives a date set when expenditures made by the Company would be reimbursed by the tax-exempt bond. Mr. Gaenzle indicated the Resolution also will show bankers that the CCIDA Board supports the project and will hopefully expedite their financing.

-Mr. Grubbs thanked Corey and the Board and indicated they are working on pulling together all the financial structure and will be in touch on the next steps.

-Edelweiss Dairy LLC submitted an 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. 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:

A Motion was made by Ginger Schroder seconded by Joesph Higgins, RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY (1) TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF UP TO \$15,500,000 PRINCIPAL AMOUNT TAX-EXEMPT REVENUE BONDS FOR THE PURPOSE OF FINANCING A CERTAIN PROJECT (AS SET FORTH BELOW) FOR THE BENEFIT OF EDELWEISS DAIRY LLC; (2) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE ISSUER WITH RESPECT TO SUCH PROJECT; AND (3) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO SUCH FINANCING AND THE UNDERTAKING OF SUCH PROJECT. A roll call of the Board of Directors of the CCIDA was taken, Mr. Buffamante, Mr. Higgins, Mr. Snyder, Mr. Driscoll, Mr. Wimer, Ms. Schroder and Mr. Cullen were present. All in Favor - **Motion Carried.**

***CCIDA Financial Reports:**

-Approval of **March 2024** Financial Reports

A Motion was made by Thomas Buffamante seconded by Ginger Schroder to accept the March 2024 CCIDA Operating Statement as presented to the Board. All in Favor - **Motion Carried.**

-Update on CCB Account and Financials

- Asset account updates on CD's will be provided to the Board in April.

***Income for March 2024 (\$313,461.90):**

-\$212,500.00-Great Lakes Cheese Payment

-\$ 961.90- Reimbursement for railroad taxes from NY & LE RR

-\$100,000.00-2nd half of Cimolai HY Administrative Fee

***Income for April 2024:**

-\$ 1,500.00-Win-Sum Ski Corp. Application Fee

-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):

- ✓ Attend Community Action Enterprises Annual Board Meeting.
- ✓ Meeting with Great Lake Cheese regarding general updates on the project.
- ✓ Attending Olean Mall and People, Inc. meeting at the mayor's office.
- ✓ Meeting with Andy Burr regarding RevRail project.
- ✓ Meeting with Turbo Machining regarding update on the project.
- ✓ Attend Town of Yorkshire Board meeting.
- ✓ Meeting with Diana Cihak and Village of Cattaraugus Development Team.
- ✓ Meeting with Tom Benson.
- ✓ Meeting with Lida Eberz with CBRE Realty regarding potential commercial project in Olean.
- ✓ Meeting with Howard Hibbert in Cattaraugus.
- ✓ Attend Southern Tier West Regional Planning and Development Board Meeting.
- ✓ Meeting with Mr. Hughes and Mr. Ricker of CNF Engineering.

- ✓ Conference with Empire State Development.
- ✓ Meeting with Paul H. regarding potential commercial project in Ellicottville.
- ✓ Meeting at County Building regarding RevRail and Cattaraugus.

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

- ✓ **Buffalo News:** Article: *"A look at development projects in Cattaraugus County."*
- ✓ **Buffalo News:** Article: *"Cattaraugus County dairy farm plans \$33 million renovation."*
- ✓ **Olean Times Herald:** Article: *"Come Home, Stay Home': Olean Business Development Corp. hopes to help fill 1,500 jobs."*
- ✓ **Olean Times Herald:** Article: *"Cutco marks 75 years in Olean."*
- ✓ **Salamanca Press:** Article: *"CTE culinary arts students train at new Franklinville Cheese Facility."*
- ✓ **Olean Times Herald:** Article: *"Girls in Manufacturing Day showcase promising future of local students."*
- ✓ Handout: Cattaraugus County Economic Development Spring Job Fair.
- ✓ **Spectrum News 1:** Article: *"Bill to help N.Y. farmers build housing for farmworkers receives bipartisan support."*
- ✓ **Email:** *WNY Recreational Tourism Study Stakeholder Group - County Economic Development*
- ✓ **Financial Post:** Article: *"Fed holds rates, still signals 3 cuts this year despite sticky inflation."*
- ✓ **New York Post:** Article: *"Even lefties now admit closing the Indian Point nuclear plant actually harmed the planet."*

Executive Session:

A Motion was made by Ginger Schroder seconded by Thomas Cullen to go into Executive Session for Attorney/Client privileges at 11:50 p.m. All in Favor – **Motion Carried.**

A Motion was made by Joseph Snyder seconded by Ginger Schroder to exit Executive Session and return to the regular meeting at 1:05 p.m. For the official record, no action was taken in the Executive Session.

A Motion was made by Brent Driscoll seconded by Ginger Schroder to adjourn the meeting at 1:05 p.m. All in Favor – **Motion Carried.**

*** Next CCIDA Board of Directors Meeting: May 14, 2024 at 11:15 a.m. at the CCIDA Offices, 9 E. Washington Street, Ellicottville, NY, and also via Zoom.**