

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

June 11, 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

Excused:

Mr. Thomas Cullen

CCIDA Staff/Counsel:

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

Presenters/Guests:

Ms. Lori Northrup, North Park LLC
Mr. Bill Northrup, North Park LLC
Mr. Rick Miller, *Olean Star* (via zoom)
Mr. Bob Clark, *Olean Times Herald* (via zoom)
Mr. Robert Dingham, New York & Lake Erie Railroad
Tommy Patterson, New York & Lake Erie Railroad
Mel Shaw, New York & Lake Erie Railroad
Cindy Lauer from South Dayton Farmer's Market
Karen Strickland, South Dayton Rail Depot

Mr. Buffamante called the meeting to order at 11:17 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 Ms. Schroder were present. Mr. Cullen was excused.

A Motion was made by Brent Driscoll seconded by Joseph Higgins to accept the Board Meeting Minutes from May 14, 2024 as presented to the Board. All in favor. **Motion Carried.** Mr. Cullen was excused.

New Applications

1.) – North Park LLC/North Park Innovation Group, Inc.

-Mr. Wiktor welcomed everyone to the June Board Meeting. He indicated Bill and Lori from North Park are first on the agenda and indicated the Application is included in the Board Packet, with the background of the Company as well as the SEQR Application and Cost Benefit Analysis. Mr. Wiktor indicated the Company put together an overview for the purpose of an expansion of the building that was built in 1991. He further stated it is very exciting to see the growth, new products, innovation and how it addresses a massive concern in today's society with training and helping out students who are wanting to become professionals on HVAC and a multitude of other sectors that need that workforce development, which he will allow Lori to expand upon. Mr. Wiktor indicated he toured the facility and they are need of the additional space and is great see a number of employees looking to grow the plant and employment as well and it fits CCIDA's manufacturing incentives relating to sales tax abatement, mortgage recording tax and real property tax abatement.

-Mr. Wiktor introduced Bill and Lori from North Park and asked them to give a brief overview and background of the project. Lori indicated Corey has been amazingly helpful over the last few weeks getting everything organized. She indicated, they have been going along pretty successfully and it has been fun and they are jammed for space, they tried to do an addition last year and the zoning was not in the correct format so now they are waiting to hear back from the County regarding their zoning change request and hoping the earliest they could start would be the end of July. Lori further indicated they make large pieces of equipment that are shipped out on 18 wheelers and are sold primarily to schools that teach young people, adults or prisoners on how to become technicians for air conditioning, refrigeration and electrical and they have a new product line they bought a year and half ago that teaches green energy tech, being solar, wind, hydrogen and also cyber-security. They are the lead team that is presenting the Skills USA for cyber-security for the Nation which is the best of the best for each State. Mr. Wiktor indicated if you go into their shop and browse through their catalog, it gives you an idea of how they assemble and use their secret sauce to manufacture these units and they are very scaled down to what you would see in a commercial grocery store or your home heating unit, AC unit and a variety of different ideas to teach all the technical training skills which is such a need that we continue to hear about. The units allow those institutions, and overseas companies as well, as they have international sales that allows this training mechanism to take place. Mr. Wiktor indicated Bill was at a meeting the other day and introducing the concept of air conditioning and the history of it and seeing a table top replica showing the dynamic of it showing the unit to the cold air blowing out. Mr. Wiktor indicated it is wonderful to see and we all know the needed technical skills in the United States. Mr. Buffamante asked if their customers utilize the equipment to train versus sending the employees out to train and Lori indicated they occasionally do, but they currently have someone in Pittsburg handling a live, hands-on training. Lori further indicated in the next three months they are growing the business in new areas as they got to two giant server racks, as big and tall as the room, modeling for an industry expert that Bill is bringing in to help build a training unit for server farms. Bill indicated with the new AI, digital technology, the processors are getting more powerful, more heat and if you put a cold plate against them, it will produce 300 to 400 percent more if you keep it cold so they are working on the training processes for that and to teach that too. Lori indicated in a couple weeks later, they have a partner from France coming over with his son who is going to be an intern and the partner is helping them complete some special

inverter driven units that he helped them design and brought forth to the US market. Bill indicated Europe is so far ahead of us as far as efficiency and we are learning from them and then he is going to sell the products in the EU for them. Lori indicated the other group they have coming will be on August 10th, which are three interns from Washington State where they bought the Marcraft Business. The two owners they bought the business from are staying on for a few years and are working closely with them a to develop a completely new program for cyber security training for drone pilots. They are putting together a whole panel that will explore everything they need to do. Bill indicted they will do drone cyber security, drone maintenance and drone piloting. Mr. Buffamante asked in the hand out they passed out, if they have 80 future or potential employees and Lori responded yes, with the completed expansion of 10,000 square feet, it more than doubles the manufacturing equipment they currently have and could easily grow up to that number. Mr. Wiktor thanked Lori and Bill and indicated he would set up a Public Hearing, there is no voting today, but if all goes will bring before the Board in July.

-North Park LLC/North Park Innovation Group, Inc. has submitted an Application to the Agency for seeking NYS sales tax, mortgage tax and real property tax abatement relating to the construction of an approximately 3,000 - 10,000 square foot addition to the current 12,500 square foot facility that was constructed in 1991 located at 6442 NYS Route 242 E., Ellicottville, NY. The new addition will allow for the needed expansion and growth of the company, which includes retained employment and net new hires as well. *A copy of the cost benefit analysis is included in each Board Member's packet.*

-The Total Project Investment: \$770,000.

2.) – QSKI, LLC

-Mr. Wiktor indicated the next item on the agenda is QSKI, LLC who owns the former green house across from the former Tips Up behind where Mud, Sweat & Gears is along the creek. QSKI, LLC is owned by Scott Croce who is a long time Buffalo developer and recently purchased the site in January and looking to put up a mixed-use facility. The project has been approved by the Village, he has his building permits and did knock down the house and he is looking to get started and is interviewing banks and contractors as we speak. The project would be a typical adaptive reuse project, knocking down an old site that was under-utilized for a number of years, a key site location in the Village of Ellicottville and will have 6-9 parking spots in the back. Mr. Wiktor indicated in the packet you will see the concept that was approved and some of the pictures, the Village approved the negative declaration and building permits. Mr. Driscoll asked if it would be market rate housing and Mr. Wiktor indicated yes, not condominiums. Ms. Schroder stated she does not understand why we would use market rate as 70% of the project is market rate apartments and essentially, he is looking for tax benefits to help him develop private housing that he is going to rent out at market rates in one of the most attractive towns in the County and she finds it very hard to justify on the back of the tax payers that don't get this type of thing for housing that they have developed. Ms. Schroeder further indicated Scott owns property across from her in Buffalo, is a very nice gentleman, is very smart and did a beautiful job with the property and matching the architectural character. Ms. Schroder stated she can see the sales tax exemptions and mortgage tax exemptions, but 70% of the project being market rate housing even though it is adaptive reuse, does not think it is the kind of thing we should be doing, particularly when you are looking at the jobs as he is developing 4-5 minimum wage jobs or less than minimum wage. Mr. Wiktor indicated there are thoughts as whether it will be short term rental or yearly leased based on the need for housing in Ellicottville. Mr. Wiktor stated Scott is doing some market studies to determine what housing is needed in Village and looking for potential dentist on the ground space and is just bringing the project forth for discussion, not looking for any approvals. Mr. Driscoll asked what benefits he was looking for, sales tax, mortgage tax and a PILOT under adaptive reuse and Mr. Wiktor indicated yes and the adaptive reuse PILOT would be 10 years. Mr. Snyder stated it seems that it is trying to make it a tourism destination right on the Main Street of downtown Ellicottville would be a bad choice, but certainly could use a dentist in Town. Mr. Snyder further asked why would you put a dentist on the main drag of a tourist town where they are going to be closed at 5:00 and if it is going to go that way, it's even harder to think that is a good idea as because if it were a

restaurant, shop or retail that goes along with what the character of Ellicottville is and would be a lot easier to get excited about. Mr. Wiktor stated Scott is looking for a lot of different tenants, including a veterinarian or dentist, but the challenge is trying to fill any commercial or retail space so he is looking at all ideas. Mr. Snyder indicated if you want it to be a destination place, you cannot fill up your best space with things that do not support it or the character of it. Mr. Driscoll stated Mr. Wiktor should tell Scott the Board has some further questions to be answered and Mr. Wiktor agreed to discuss the Board's questions and concerns with Scott.

-QSKI LLC has submitted an Application to the Agency for seeking NYS sales tax, mortgage tax and real property tax abatement relating to the construction of an approximately 9,000 square foot mixed use building located at 41 Washington Street in the Village of Ellicottville. The project will have ground floor retail, up to 2 suites, and 5 upper floor units of housing.

-The Total Project Investment: \$2,000,000.

Project Update

1.) – GSPP 4578 Felton Hill Road West and East, LLC

-Enclosed in the Board Packet is a letter from the Town of Machias Supervisor indicating the Machias Town Board made a motion on May 20, 2024 to advise CCIDA *they are in opposition to the tax emptions* that GSPP is requesting.

-Mr. Wiktor indicated he did not send copies of the Applications on GSPP 4578 Felton Hill Road West and East to the Board as they Applications are very thick and full. The Applications were received in early May, and as per our policy that was adopted in November of 2020, once we receive a copy of the Application, we have to send a letter to the Chief Executive Officer of the Municipality. In this case, we sent the letter to the Town Supervisor stating we received the Applications and per our policy, before we do anything, we need a general letter from the Town or a Resolution, whatever they are comfortable with. Mr. Wiktor indicated he spoke with the Town Supervisor multiple times and they were not supportive and he indicated to let us know their process and we will not do anything until we hear from you them. Mr. Wiktor indicated the Town of Machias did send a letter on May 21, 2024 which is in the board packets stating the Machias Town Board is not in favor to CCIDA offering financial assistance and tax exemptions for these projects so we are notifying the Board so we can get this in our minutes and our record that we have followed through with our policy with the Applications that were submitted. Mr. Wiktor indicated he did reach out to the developer three or four times by call and by email and has not heard anything back so that is where is sits for today and there is no action. Mr. Wiktor indicated they have done 10 solar projects but they have all adhered to the policy with a formal letter of support for the PILOT so that is different than just getting an application in by email with no reach out. Mr. Buffamante asked if the Town approved the project and issued a permit and Mr. Wiktor responded they issued a Building Permit but remember the project is different than the PILOT and the Town approved the project as at that time the developer stated to the Town they were not seeking a PILOT and willing to pay full taxes on the project so the Town said we cannot outright decline it as they are looking at it as a revenue source, if needed, if the project came to fruition. Mr. Higgins asked if the company has done any other project is County and Mr. Wiktor indicated yes, in the Town of Portville.

***CCIDA Financial Report:**

-Approval of **May 2024** Financial Reports

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

Income for May 2024 (\$83,378.15):

-\$ 1,000.00- Edelweiss Dairy LLC - Application Fee

-\$56,250.00-Great Lakes Cheese Payment

-\$26,128.15-Win-Sum Administrative Fee

***Income for June 2024 (\$22.46):**

-\$22.46-American Power and Gas Rebate

-General update on projects in process; including the Agency has 4 projects in the closing stage which should close in the 2nd quarter of this year.

-Mr. Buffamante addressed the Board Members that Bob Dingman from New York & Lake Erie Railroad has asked to give a brief presentation, around 10 minutes, regarding updates his company is doing. Mr. Wiktor introduced Bob Dingman and Mel Shaw. Mr. Dingman stated he would like to introduce the ladies that are here with him, Karen Strickland and Cindy Lauer. Mr. Dingman indicated they are expanding their seasonal services and are an important part of Gowanda and their mayor is resigning as of tonight as the announcement was made on facebook and no one knew it was coming. Mr. Dingman indicated Gowanda is not the booming center of economic activity that Ellicottville is, on the other hand, they are very much orienting themselves more and more towards tourism. He asked the question of why you would want to go to Gowanda because you can't ski there, you can't swim there, but you can go there for the train rides and the rafting, which is a very brief season. Mr. Dingman stated one of the things you need with tourism is places to stay overnight. Mr. Dingman stated New York & Lake Erie Railroad has been a vender to the IDA since 1978, forty-six years, come this fall, and has not been a very lucrative endeavor for the sole owner of New York & Lake Erie Railroad; however, it's on his bucket list to break even only has about another 20 years to do it. The activities they are involved in at the moment are to increase their capacity and features, some of the equipment which they just invested about \$70,000 in, as the price keeps going up, which will add seating capacity and will add features. Mr. Dingman indicated he would like to pass out their non-high-tech presentation and explained the handouts. Mr. Dingman then introduced Tommy Patterson who is their number one engineer, head of the water, sewer department in Cattaraugus, formerly on the Village Board of Cattaraugus and works 20 hours a week for New York & Lake Erie Railroad and his dad worked them for 30 years. Mr. Patterson stated working along Mr. Dingman, his roll has increased with New York & Lake Erie Railroad over the last 10 years from mechanic to engineer to event planning. Mr. Patterson indicated the Village of Gowanda has been awarded \$4.5 million dollars in the New York Forward Program and they are working towards putting an application together for some of that money which will include some transformative things for the Village and will have ripple effects into the economy and surrounding area. He indicated they are looking to increase their fleet of rain cars that will include the ability to prepare and serve food onboard using local restaurants as caterers. Mr. Patterson indicated another major portion is to implement a caboose motel which would take place near the creekside in Gowanda, in their yard limits and has been proven to be successful in other areas, including Titusville. They would like to work towards 20 units that would be available along with discussions of creating another entity that would be responsible the bookings, sales and management of the motel itself. They are on a fairly short time frame as the applications need to be submitted by July 10, 2024 and the application states applicant must be in ownership or have an ownership interest in the property; therefore, they would like to continue to establish the relationship they have with the IDA to make sure that is possible. Mr. Buffamante thanked them for the presentation.

***Executive Directors Reports:**

Handout: *Performance of Industrial Development Agencies in New York State:* Recently the Comptroller's Office released the metrics and project data for each IDA in NYS. This data relates to the Agency's "performance" in 2022. We will give a brief overview and synopsis of the report and handout.

-Internal (IDA Meetings/Discussions):

- ✓ Attend Olean Business Development Board Meeting.
- ✓ Meeting with company on possible project in Olean.
- ✓ Tour of Great Lakes Cheese Facility with the Epprecht Family.
- ✓ Meeting with Peter Kreinheder on potential project in Ellicottville.
- ✓ Meeting with developer on potential project in Franklinville.
- ✓ Phone discussion with Invenergy. Just gave them an update and reminder of long established and IDA supported protocol.
- ✓ Attend Olean Business Development Corporation call.
- ✓ Meeting with Dave Fenske on potential knife project.
- ✓ Meeting with Lori Northrup on new project in Ellicottville.
- ✓ Presentation at BOCES in Ellicottville.
- ✓ Meeting with consultant from WNY Outdoor Recreation and Tourism Planning Initiative on possible development in Cattaraugus County.
- ✓ Meeting with Diana Cihak and team on possible grants for Village of Cattaraugus.
- ✓ Meeting with Scott Croce on potential Ellicottville project.
- ✓ Meeting with Scott S. regarding potential commercial project in Olean.
- ✓ Meeting with Kevin Kelleher regarding potential project in Ellicottville.
- ✓ Meeting with Kim from Southern Tier West relating to a business loan.
- ✓ Meeting with Turbo Machining on updates to the project.
- ✓ Presentation for Empire State Development in Olean.
- ✓ Presentation for Leadership Cattaraugus in Ellicottville.
- ✓ Meeting with Empire State Development and North Park LLC regarding potential project.

- ✓ Meeting with Bob Fornes of Olean Business Development Corporation.
- ✓ Attend Erie County Industrial Development Agency Roundtable meeting.

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

- ✓ **Olean Times Herald:** Article: *“Olean site of second RocketCup Coffee café opening Saturday”*. Congratulations to Tom and his Team!!
- ✓ **Olean Times Herald:** *“Come Home, Stay Home launches video series for campaign”*. Also, great video on this newly launched campaign that is on YouTube!
- ✓ **Buffalo News:** *“Another Voice: IDAs are crucial to New York’s economic development”*. Great support and reality noted by a former ESD Executive.
- ✓ **Press Release:** *“Congressman Nick Langworthy Introduces Bipartisan Legislation to Provide Workforce Training in Rural Communities”*. Excellent news on this front! Thank you, Congressman!
- ✓ **Handout:** Upcoming Meetings and Events, Cattaraugus County Road Show. CFA Informational meeting. The IDA was the sponsor of the event held on June 10th from 2-4 PM at OBDC.
- ✓ **Bloomberg LP:** *“Higher for Longer? Rates Could Be Higher Forever”*. Interesting take on the current state of interest rates....some good news...some bad.
- ✓ **SBU Education News:** *“Fall '24 freshman confirmations highest in 35 years at St. Bonaventure”*. Excellent news for Bona’s!
- ✓ **Handout:** *Western New York Economic News Richard J. Wehle School of Business Canisius College*. Some industry highlights on the WNY economy.
- ✓ **Buffalo News:** *“Brookings spotlights region’s manufacturing, tech job development”*.
- ✓ **City Journal:** Article: *“The Energy Transition Won’t Happen”*.

Executive Session:

A Motion was made by Brent Driscoll seconded by Michael Wimer to go into Executive Session for Attorney/Client privileges at 12:28 p.m. All in Favor – **Motion Carried**. Mr. Cullen was excused.

A Motion was made by Joseph Higgins seconded by Joe Snyder to exit Executive Session and return to the regular meeting at 1:29 p.m. All in Favor – **Motion Carried**. Mr. Cullen was excused. For the official record, no action was taken in the Executive Session.

A Motion was made by Brent Driscoll seconded by Joseph Higgins to adjourn the meeting at 1:30 p.m. All in Favor – **Motion Carried**. Mr. Cullen was excused.

*** Next CCIDA Board of Directors Meeting: July 16, 2024 at 11:15 a.m.
at the CCIDA Offices, 9 E. Washington Street, Ellicottville, NY, and also via Zoom.**