

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
THURSDAY, DECEMBER 16, 2021**

ATTENDANCE	2020	2021											
Directors	12/17	1/28	2/25	3/25	4/22	5/27	6/24	7/22	8/26	9/23	10/21	11/18	12/16
David , Rich	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Berling, Juliet	NA	P	NA	P	P	NA	P	NA	NA	P	P	EX	P
Burns, Joe	NA	P	NA	P	P	NA	EX	NA	NA	EX	EX	EX	P
Frank, Kenneth	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Jacyna, Mary	NA	P	NA	P	P	NA	P	NA	NA	EX	EX	P	P
Koffman, Betsy	NA		NA	P	P	NA	P	NA	NA	EX	P	P	P
Sall , Ron	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Saraceno, John	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Shager, Chuck	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Smith, Art	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Strawn, Philip	NA	EX	NA	EX	EX	NA	P	NA	NA	EX	EX	EX	EX
Stromhaug, Per	NA	P	NA	P	P	NA	P	NA	NA	P	EX	P	P
Staff													
Joel Boyd	NA	P	NA	P	P	NA	P	NA	NA	P	P	P	P
Rachel Priest	NA	NA	NA	NA	NA	NA	NA	NA	NA	P	P	P	P
Other													
JoEllen Tarcha	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	P	P	P
Steve Carson	NA	P	NA	P	P	NA	P	NA	NA	P	EX	EX	EX
Paul Nelson	NA	P	NA	P	P	NA	P	NA	NA	EX	EX	EX	EX

President Saraceno called the meeting to order at 9:01 AM and asked for review and approval of the minutes of the November 18th Regular Meeting. R. Sall motioned, C. Shager seconded and the minutes were approved (10-0-0). President Saraceno asked for review and approval of the November 18th Annual Meeting minutes. R. Sall motioned, C. Shager seconded and the minutes were approved (10-0-0).

PRESENTATION OF THE NOVEMBER 2021 FINANCIAL REPORT

Assistant Comptroller J. Tarcha provided the November 2011 Financial Report. At the end of November, the Restricted Account balance had a balance of \$1,116,160.12 and said there was little activity; Innovation in Imaging paid late in November. The UDAG Account Statement of Income and Expense had a year-to-date balance of \$1,175,319.49. She said there was a mistake on the report, \$2,453.35 for Marketing should have been in the October statement. On the Accounts Receivable Report, she said 142 Court Street

paid the September amount in October but had not paid November. The November check for the One North Depot Special and Façade loans was in the mail.

J. Berling joined the meeting at 9:04 AM.

The Unrestricted Account statement reflected the payment to Opportunities for Broome with a month-end balance of \$6,783.36. There was no activity in the Broome Enterprise Triad – New York State Account. The Mayor’s Veterans Initiatives account reflected payment to Opportunities for Broome for the 47 Pine Street Veterans Home improvement project which totaled \$55,681.90, and had a month-end balance of \$10,548.01. There was no activity in the Grant account. On the Delinquent Loan Status report, the delinquency percentage of all loans not designated as non-performing was 0.34%. B. Koffman asked how BLDC collected on its loans. R. Priest said it depended on the type of loan. The large loans - VMR and Mountain Fresh Dairy - were waiting judicial action; Ariel Hendricks CPT, LLC had just been issued a final notice, so the account was officially being taken for collection. 142 Court Street LLC #2 was two months behind and technically was not delinquent; Innovation in Imaging paid November and said it would drop off a check for December that week; and One North Depot’s payment was in the mail. R. Sall asked about Quality of Life/Z. Salisbury. J. Boyd said it was a business at the Incubator at one time with a Mini-Microenterprise Loan. He said the business had defaulted, moved out of the area and we had no further contact information. P. Stromhaug suggested contacting Eric Krohn at the Incubator. President Saraceno asked if there were any further updates on Mountain Fresh Dairy or VMR. K. Frank responded that the BCIDA attorney was still working on it but there were nothing significant. President Saraceno asked what he thought would be the outcome from the Mountain Fresh Dairy litigation. K. Frank said at some point the BCIDA and the City/BLDC might get the building or the owner would pay the debt in full. J. Saraceno commented that at this point it was just an extended legal dance, K. Frank agreed.

Old Business: none

New Business:

RESOLUTION 21-11: A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (BLDC) APPROVING A REQUEST FROM INNOVATION IN IMAGING, INC., TO EXECUTE AN EXTENSION OF THE FINANCING TERM FOR A PERIOD OF FIVE YEARS FOR AN EXISTING REVOLVING FUND LOAN.

President Saraceno introduced the resolution and said Innovation in Imaging, Inc. (3i Graphics & Signs) had reached the end of their original loan term, but not the end of their loan amortization period, so they had requested BLDC extend their loan term through the remainder of the amortization. He said BLDC had not had any significant issues with them making payments and that the Finance Committee was comfortable with the extension. He asked if there were any questions. Hearing none, he asked for a motion to approve Resolution 21-11. R. Sall motioned, Mayor David seconded and the resolution was approved (11-0-0).

RESOLUTION 21-12: A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION AUTHORIZING THE PRESIDENT TO ENTER INTO AN AGREEMENT WITH THE CITY OF BINGHAMTON TO PROVIDE ECONOMIC DEVELOPMENT SERVICES

President Saraceno introduced the annual resolution for the BLDC to enter into an agreement to provide economic development services to the City. He said the organization concluded an agreement every year and that he was not aware of any substantive changes. Mayor David asked if it was the same amount. R. Priest confirmed it and said the only change was that HUD was changing to a fiscal year to one that aligned with the BLDC year so it would be an 8-month contract, not a 12-month contract. President Saraceno asked for a resolution to approve. B. Koffman motioned, Councilman Burns seconded and the resolution was approved (11-0-0).

RESOLUTION 21-13: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (BLDC) AUTHORIZING THE BLDC TO ENTER INTO A CONTRACT FOR SERVICES WITH SUNY BROOME COMMUNITY COLLEGE AND INTO A GRANT DISBURSEMENT AGREEMENT WITH EMPIRE STATE DEVELOPMENT FOR THE DELIVERY OF THE ENTREPRENEURIAL ASSISTANCE PROGRAM (EAP) THROUGH THE BROOME ENTERPRISE TRIAD PARTNERSHIP

President Saraceno introduced the annual resolution that allowed the BLDC to contract with SUNY-Broome for the Entrepreneurial Assistance Program. President Saraceno asked if there were any questions, hearing none he asked for a resolution to approve. R. Sall motioned, P. Stromhaug seconded and the resolution was approved (11-0-0).

RESOLUTION 21-14: A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION AUTHORIZING THE PRESIDENT TO ENTER INTO AN AGREEMENT WITH BT CNY, LLC. FOR THE SALE OF CHARLES ST. BUSINESS PARK LOT #2.

President Saraceno introduced the last resolution concerning the Charles Street Business Park and the special Zoom meeting held with Brian Kradjian of Bates Troy on 12/10. The resolution would authorize the President to enter into an agreement with Bates Troy CNY, LLC for the sale of Charles Street Business Park Lot #2. He said it was an agreement that gave them a due diligence period, would allow them to acquire a portion of the site and develop it as their new commercial laundry. Mayor David asked to comment. He thanked those who participated in the Zoom call. He said P. Stromhaug had an excellent suggestion at the November meeting, that B. Kradjian make provide a presentation and take questions directly from Board Members. Mayor David said the site was approximately 5 acres, located in an area of the park that did not take away from the other remaining space. It was adjacent to the SaveAround property so in essence one half of the park would be developed leaving the other half adjacent to the power plant. He said the location was ideal and the type of use was consistent with what the City sought for the park. In the short term it would help retain employees and in the long term would add employees. He said he would add to the motion that when the City acquired the Charles Street Business Park from the Agency, it agreed to pay for the park as it sold acreage. The City did not pay for it up front, and as it developed the park, it would pay \$30,000 per acre. The offer that Mr. Kradjian made was slightly less, about \$25,000 per acre, so he recommended that BLDC approve it with the caveat or contingency that BT-CNY, LLC would pay \$30,000 per acre which amounted to a difference of \$25,000 for the total acreage. He said the City/BLDC was not going to sell it for a loss. He said the City was supportive of the project and the next administration as well. He said he wanted to be clear with the motion that the City/BLDC should be paid the amount it was going to have to pay the Agency so BLDC would not have to fund a deficit. P. Stromhaug asked if the amount was the market value of the property. Mayor David said he thought the value from the Assessor was slightly higher, \$35-38,000 at the low-end. He said their thinking was that it was a \$20 MM project that would leverage additional investment in the park and the goal was to foster economic development and redevelopment of the First Ward. He said the City/BLDC would be working with the Agency to identify other incentives. He said the fair market value was probably a few thousand dollars more per acre. P. Stromhaug said he just wondered what the optics were if the BLDC sold it for less (than fair market value). Mayor David said what was being decided was to sell it for the agreed minimum to pay the Agency and to facilitate that sort of economic development. P. Stromhaug said he wanted to make sure that BLDC did what needed to be done. He said it would be great if a company came in that created jobs, but retaining jobs was important. He asked if there was some type of clawback so that should BT-CNY, LLC not proceed with the development it could not be resold. Mayor David said a provision could be included and had been done with other City land sales. K. Frank said a clawback provision could be added, or wording

that the fair market value was \$40,000 and if it sold without those improvements the buyer would have to reimburse the City/BLDC an additional \$50,000. P. Stromhaug reiterated that the clawback would prevent the developer from sitting on the property for five years doing nothing that would deprive the City of the opportunity to market the land to another buyer. Mayor David commented that a clawback provision was a great suggestion. President Saraceno said of all the property at the industrial park, he would have thought the parcel would have been the most difficult to find a tenant, it was not adjacent to the main section of road or the power plant that would enrich the value of the property for other tenants. He said he thought it was a good opportunity to move the property. President Saraceno asked if the Mayor would make a modification to the resolution based on the discussion. Mayor David said he would move to accept the letter of intent/option submitted by Mr. Kradjian with the caveat of a clawback provision written and defined by the City attorney and that the price per acre be \$35,000 per acre which put the transaction at the fair market value threshold. He said he thought this addressed the concerns expressed by P. Stromhaug. P. Stromhaug said he did not think this should have any detrimental effect on a \$20 MM project. R. Sall asked if the project would be eligible for incentives. Mayor David said incentives would be available through the BCIDA, R. Sall said that should make up any differential. K. Frank asked to check what the property's fair market value was. R. Priest responded that the City Assessor said it was \$39,000-\$43,000 per acre. K. Frank said it was the basis for the clawback and the basis for the discounted price. Mayor David asked K. Frank to revise the verbiage of the contract with BT-CNY, LLC to reflect these concerns. President Saraceno summarized the resolution, that the BLDC should accept BT-CNY, LLC's letter of intent for an option including that the property be purchased at a minimum fair market value as determined by the Assessor and a clawback stating that construction on the property would start within a year. K. Frank said the City would talk to Mr. Kradjian about what was a reasonable time frame to begin and to complete; he said he would talk to the buyers and the Planning Department and build that into the agreement. President Saraceno said he was not sure what the resolution should be. K. Frank said it was an authorization for the President to sign the document subject to approval by Corporation Counsel. Mayor David said it authorized BLDC to enter into an agreement subject to the terms. P. Stromhaug asked if there was any concern that their current facility might be left vacant. Mayor David said Bates Troy indicated they were going to use the Laurel Avenue plant for cleaning hospitality linens that it was not going to close. P. Stromhaug said Mr. Kradjian said it was not a commitment, but was an option, he wondered if it should be a concern although there would be nothing the City or the BLDC could do about it. Mayor David asked if there were any more comments. President Saraceno said hearing none, he asked for a motion to approve Resolution 21-14 as reworded by the Board. R. Sall motioned, M. Jacyna seconded and the motion was approved (11-0-0).

Mayor's Remarks:

Mayor David said it was his last BLDC Board meeting, he thanked the Board Members for their years of service. He said it was an honor and pleasure working with the Board, he said the Board had done great things and shown what could be done by tackling tough problems and challenges. Concerning the Water Street parking garage, he said the plan was to move forward with demolition in the last week of December after the holiday rush was complete. He said the City continued to have meetings with Boscov's, Jim Boscov had visited the prior day and met with Mayor-elect Kraham and store personnel to go over parking logistics and other related matters, things were progressing with developers Pike and United. The demolition was going to take approximately two months. If all went well the plan was for at least two floors of the new ramp to be open for the holiday season next year. He said the on-street parking on Water Street was working very well and had not heard any concerns from Boscov's or other stores with parking. He said they had seen Boscov's validations from the ramp drop by 50% because of the on-street parking, so that was a good sign considering it was the high point of the shopping season. He said the City was very excited by that project, the parking garage and the market rate housing and was committed to working with Boscov's on a somewhat longer short-term extension (of the PILOT agreement); normally it had been extended a year at a time. Boscov's was interested in something that would get them through the two-year project, but they were also talking about longer term agreements as well.

Reflecting on leaving Mayor David said the fact BLDC was able to work together to advance the grocery store project was probably one of the most rewarding things the Board has done and being able to advance the Canal Plaza project with the affordable housing. He said it was able to advance the 7 Hawley Street project and the Water Street market rate housing project, these would have major impacts on downtown Binghamton and impact the ongoing energy taking place. He said Board Member Mary Jacyna was leaving the BLDC Board with her appointment as a Trustee to the Village of Johnson City. He wished her well in her new position and said she would do a great job. He acknowledged that it was Corporation Counsel, Ken Frank's last meeting as well. Mayor David said he was very excited and pleased that Jared Kraham was elected and said he knew his administration would continue to do a great job with the projects on the table and that he had his own vision and agenda. He said he would give him an opportunity to address the Board.

Mayor-elect Kraham thanked Mayor David and said he got a chance to talk with thousands of residents over the last 10 months and the resounding message he got from them was that they liked the direction the City was going in the last eight years

specifically in terms of economic development, creating jobs and getting projects done that residents could see and experience, new businesses opening, and a diversity of businesses all across the City. That was in large part due to the Mayor's efforts, his economic development focus and said the City was better off than it was eight years ago certainly from a standpoint of economics and getting new businesses to come here, that it had a lot to do with the BLDC Board as well. He said he was excited to get started, in ways it was a continuation of the momentum seen in the last eight years. Mayor-elect Kraham said he thought the BLDC could play a critical role in accomplishing a lot of what his administration wanted to accomplish. He said he wanted to continue to focus on the areas that Mayor David had, but wanted to add focus on neighborhood business districts. He said there were many good projects under way and the resolution on the Charles Street Business Park was just one of them. He said the City/BLDC continued to get wins for small business, developed projects and showed the community that Binghamton meant business when it came to economic development and revitalizing the community. He said he was excited, was thankful for the support that the voters had given him and could not wait to get started on January 1st.

Mayor David thanked Mayor-elect Kraham for his remarks. President Saraceno thanked the Mayor, Mayor-elect and Board Members for their hard work and effort put into the BLDC. He said he was very proud of what the BLDC had accomplished over that time. He wished everyone an enjoyable holiday season and looked forward to working with those who would return in January. K. Frank suggested a motion to adjourn. M. Jacyna motioned, K. Frank seconded and the meeting adjourned (11-0-0) at 9:36 AM.

Ron Sall, Secretary
Binghamton Local Development Corporation