

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION  
REGULAR MEETING MINUTES  
THURSDAY, SEPTEMBER 23, 2021**

ATTENDANCE	2020				2021								
	9/24	10/22	11/19	12/17	1/28	2/25	3/25	4/22	5/27	6/24	7/22	8/26	9/23
<b>Directors</b>													
David , Rich	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Berling, Juliet	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Burns, Joe	NA	NA	P	NA	P	NA	P	P	NA	EX	NA	NA	EX
Frank, Kenneth	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Jacyna, Mary	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	EX
Koffman, Betsy	NA	NA	EX	NA		NA	P	P	NA	P	NA	NA	EX
Sall , Ron	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Saraceno, John	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Shager, Chuck	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Smith, Art	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Strawn, Philip	NA	NA	EX	NA	EX	NA	EX	EX	NA	P	NA	NA	EX
Stromhaug, Per	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
<b>Staff</b>													
Joel Boyd	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Rachel Priest	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	P
<b>Other</b>													
Teresa Arington	NA	NA	P	NA	P	NA	P	NA	NA	EX	NA	NA	EX
Steve Carson	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	P
Paul Nelson	NA	NA	P	NA	P	NA	P	P	NA	P	NA	NA	EX

President Saraceno called the meeting to order at 9:08 AM and asked for review and approval of the minutes of the June 24<sup>th</sup> meeting. A. Smith motioned, C. Shager seconded and the minutes were approved (8-0-0).

**PRESENTATION OF THE JULY, AUGUST 2021 FINANCIAL REPORTS**

J. Boyd presented the August financial report beginning with Restricted Account Statement of Income and Expense which had an end of month balance of \$1,113,573.14, no checks were written. Moving to the Restricted Accounts Receivable Report he said Innovation in Imaging was continuing to make payments and had been a timely borrower; he said a loan call was coming up and an action to extend the loan would be coming to the Board in the next month or two. The UDAG Account Statement of Income and Expense had an end of month balance of \$1,096,472.83; one check was written in the month for lawn care at the BLDC-owned Charles Street Business Park

and the outlying pump station properties. Turning to the Unrestricted Accounts Receivable, all Repayment Loan borrowers were current, Emma Street, LLC paid ahead. Zach Salisbury/QOLA was still delinquent. Ariel Hendricks CPT, LLC continued to be delinquent and was 6 months behind. J. Boyd introduced Rachel Priest who succeeded Lesley Cornwall in the position of Economic Development Specialist – Financial Analyst; L. Cornwall left to take a position with the Binghamton Housing Authority. He said R. Priest spoke with Ms. Hendricks who indicated she was going to make a lump sum payment in a few days. Moving to the Emergency Loans, Newtab, LLC missed their initial payment but had been overpaying and was catching up. He noted that the BLDC acted earlier in the year to extend the repayment period for COVID Emergency Loans by an additional 6 months so some loans had not yet come due. The Unrestricted Account Statement of Income & Expense had an end of month balance of \$5,783.04. Broome Enterprise Triad had a zero end of month balance. The Mayor’s Veterans Initiatives had an end of month balance of \$59,729.91. The Grant account had an end of month balance of \$5,938.76. Turning to the Delinquent Loan Status report he said he had already noted the status of a number of loans. K. Frank said there were no legal updates concerning the long term defaults of VMR Electronics, VMR Realty Management and Mountain Fresh Dairy, LLC. The delinquency percentage of all loans not designated as non-performing was 0.25%. C. Shager asked about the status of repayment of the loan by the Broome County Council of Churches. Mayor David responded that once the organization received its State grant they would pay off the loan. C. Shager asked about the status of the Garland Gallery loan, when the borrower would start making payments. J. Boyd responded that the contractor, Landmark Builders had issues with a sub-contractor, that the owner was now doing the job himself. J. Boyd said he had looked at the building in the past few days and it appeared the project was headed towards completion and looked like nice work.

**Old Business:** none

**New Business:**

**RESOLUTION 21-7:** A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (“BLDC”) APPROVING THE DEMOLITION OF A PORTION OF THE CITY OF BINGHAMTON’S WATER STREET PARKING RAMP.

Mayor David said the City had been working on replacing the Water Street parking ramp initiative for over a year. He thanked Comptroller Shager for engaging with the developers and exploring financial options to make the project work. The Mayor said it was a very complex, challenging project because the City was trying to do something new. He said this type of project was not new across the State and the nation but had

yet to occur in the City of Binghamton. He commended the City team's efforts and said the City had reached an agreement with the Pike Company/Pike Development (Rochester, NY) and United Housing Group (Troy, NY). He said Pike was over 100 years old, United was over 50 years; both had considerable experience in construction and housing projects and had completed hundreds of millions of dollars of projects. He said the City was fortunate to be able to work with companies of such high caliber. He said it was no secret to anyone who had parked in the Water Street parking garage that the ramp had reached the end of its useful life. He said he received calls about it frequently and that portions of the ramp had been shut down for repairs. He said parking garages last decades, but this was a very strategic location in the heart of the downtown, next to the river and a main gateway and centered in a major portion of the business district. He said it presented the City with an opportunity to get creative and think how it could maximize the investment in that parcel, not just tear down a ramp, build a new garage and maintain the status quo. He said the City wanted to bring a project to fruition that would have a transformative impact on the community. About a year ago, the City put out a request for proposals. He said they were very interested in the concept of a mixed use building, located along the river and that these two companies were teaming up to demolish and rebuild the Water Street parking garage. The current garage had in excess of 600 parking spaces; it would go to 550 spaces and there would be 122 units of market-rate housing built on top of the parking garage. The combined total of the project was estimated at \$48 million; the housing portion estimated at \$25 million would be privately financed – handled by United and their lending institutions. One of the items that made this project attractive was they were not relying on State grants for the housing portion. He said the Board might recall that one of the things that slowed down the 7 Hawley Street project was the State grants and the regulations that came with the grants dictating what could go on the private and public side which slowed down the project for years. The fact that the housing part of the project was privately financed made the project very attractive. The parking garage aspect of the project was estimated at \$23 million including the demolition, testing and the construction of the new garage. He said it would be funded through a combination of the City's reserves and capital bonding. As was the approach with the 7 Hawley Street project, the City's goal was to make this cost-neutral or minimize any subsidy to the extent possible paid on top of parking revenue. He said generally, parking structures were very costly and didn't make enough revenue to cover their debt service. That's why in the case of 7 Hawley Street, the State grant was so important and the City used \$1-1.5 million in City reserves. The reserves in combination with the parking revenue in the City's estimates brought it very close to breakeven so the taxpayers would not have to subsidize any gap moving forward. He said, due to COVID and the loss of the hockey team, it was going to take a few years to get to that point as the economy rebounded. He said this was the same approach, goal and objectives that the

City was looking at with the Water Street garage. The timing of the project has been based on the Boscov's holiday season as well as downtown merchants. It was extremely important given that the project, demolition-to-completion was expected to take a year that the project be completed between shopping seasons. The demolition was planned to start the day or week after Christmas with the goal of getting as much of the ramp open by the time of the next holiday season. He said the housing project could not start until the ramp was completed so this would be a 2+ year project, probably the largest the City had ever undertaken. He said it was exciting, complex and would have transformative effects on the community. The reasons the City was bringing this to the BLDC was from a communication standpoint and that the City wanted to run the project through the BLDC as it did the Canal Plaza/grocery store project. Immediately one of the things was to gain authorization from the BLDC and ultimately from Boscov's and the BCIDA. The BCIDA was the owner of the building, but the way the original agreement was structured, if the building were to become empty, i.e., if Boscov's were to vacate it, it would revert back to the BLDC. He said what was needed was to get the process started with approval from the BLDC to demolish the garage; it would still need to go before the Planning Commission for site plan approval, CAUD for design approval and other municipal approvals. He said the City would return with proposals for the formation of a new LDC subsidiary to the BLDC at a later point, that there would be multiple opportunities to provide oversight and authorization. At this point he was seeking the permissions to advance the project. The Mayor asked if there were any questions that Board members had at that point before he turned the discussion to Corporation Counsel, K. Frank to talk about specifics. Anticipating a question from R. Sall he said on behalf of downtown merchants, what was the City's plan to address parking after the ramp was demolished? Mayor David said monthly parkers would be relocated to other City ramps. The City would work to provide temporary parking adjacent to change the traffic flow of Water Street during the duration of the project – remove the medians, widen the street to enable parallel or diagonal parking from Henry Street to Court Street so there would be onsite or nearby spots as well. He said just as there were some headaches when the Collier Street ramp was demolished, he didn't anticipate accommodating everything but the City would certainly make every best effort. He said he was scheduling a meeting with Boscov's and the developers to go over the plan in the next week to address access to Boscov's loading dock and temporary access for their employees. R. Sall asked if the plan was to construct a prefabricated ramp. The Mayor said yes; bids were being sourced from the same company that supplied the 7 Hawley Street ramp, Unistress, and other companies to keep it competitive. He said there was one variable that part of the plan relied on using the existing underground pilings and that was factored into a best and worst-case financial scenario - already factored into the plan. The developers indicated based on their experience that most if not all of the pilings could be reused but they had planned

for the worst-case scenario replacing all of the pilings. He said they would not know this until the demolition was completed and this factored into giving the City a guaranteed maximum price. He said testing was being done now but they would not know until the ramp was taken down and the core of the pilings could be evaluated. The Mayor repeated that the ramp needed to come down, it was not unsafe but it did not make sense to invest millions of dollars to extend its life for a few short years. He said outside funding sources had aligned to make this a funding reality and do something great for the City. P. Stromhaug asked what was the revenue for the parking garage, the present utilization rate and if residents in the apartments would get parking spaces. Mayor David said United Housing Group would rent 122 parking spaces and make them available to the tenants at the same rate as all other users pay, he said there was no special rate. Comptroller Shager said he did not have the current parking ramp revenue figures for the Water Street available, he said he could provide it later. C. Shager said an important point was that currently the site brings in no tax revenue. He said there was not going to be any property tax but there would be a PILOT and air rights. Mayor David said the parking garage is off the tax rolls right now. The housing portion would enter into a PILOT that would bring in approximately \$12 million dollars over the life of the PILOT, so that was new revenue for the City, County and school district. It would help the City offset portions of the cost of the project.

Mayor David asked Corporation Counsel, K. Frank to elaborate on the resolution for which he was seeking Board approval. K. Frank explained that the BLDC held a reversionary interest in the property so that if Boscov's and the BCIDA went away, the BLDC would own the property. In this context, it made sense for the BLDC to approve the demolition. As he explained, a portion of the parking garage overlapped the Boscov's building, on top of the Men's Department, so to get back to the Boscov's building they were going to demolish that part. All three entities would need to give their approval and be named as additional insureds. So this resolution, was asking the BLDC to approve the demolition from the perspective of being one of three entities having an interest in the building. Following a question from P. Stromhaug, K. Frank said the City owned the parking garage, that the garage overlapped the Boscov's building.

R. Sall motioned, P. Stromhaug seconded and the Resolution 21-7 was approved (8-0-0). R. Sall commented "...thank you times a hundred".

President Saraceno asked if there were any other motions or resolutions. Mayor David responded there were not and said he would defer his regular remarks to the next meeting, however he said he wanted to mention that Greater Good Grocery Store was hosting an Open House on Saturday, 9/26 from noon to 5:00 PM. He said he shopped

there at least once a month. He said the store had expanded lately with regard to product diversity and that the store was making a great effort, it was impressive, their sales were increasing. He said the Board should take pride in the store, that would not have happened but for the Canal Plaza project that was spearheaded by the BLDC. Further he noted in the financials, there was a bridge loan made possible by the BLDC that enabled them to secure a State grant. He said it was a rewarding project that impacted some of the poorest, low-income members of the community, not only because of accessibility to affordable, quality food but individuals who were limited by transportation issues could now walk a few blocks to a store.

P. Stromhaug asked if a parking garage could be constructed in the surface parking lot in front of the Holiday Inn Arena. Mayor David said the parcel was owned by the Holiday Inn but certainly a ramp could be constructed there.

Mayor David left for a phone call at 9:40 AM.

President Saraceno asked for a motion to adjourn. R. Sall motioned, President Saraceno seconded and the motion to adjourn passed (7-0-0). The meeting ended at 9:41 AM.



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Ron Sall, Secretary  
Binghamton Local Development Corporation