

THESE MINUTES HAVE NOT YET BEEN APPROVED

BOARD OF DIRECTORS MEETING

County of Chautauqua Industrial Development Agency

**BWB Building
201 West Third Street, Jamestown, NY
2nd Floor Board Room**

**&
Electronically via Live Stream on YouTube & Zoom**

October 22, 2024
10:30 a.m.

PRESENT:

Gary Henry	Chairman
Sagan Sheffield-Smith	Treasurer
Amy Harding	Member
Daniel DeMarte	Member
Tom Harmon	Member
Kevin Muldowney	Member

Also in attendance:

Mark Geise	Administrative Director/CEO
Richard E. Dixon	Chief Financial Officer
Shelby Bilskie	Successor CFO
Milan K. Tyler, Esq.	Counsel
Gregory L. Peterson, Esq.	Counsel
Lisa Cole	Counsel
Kristine Morabito	IDA Staff
Rosie Strandburg	IDA Staff
Carol Rasmussen	IDA Staff
Kayla Strandburg	IDA Staff
Nate Aldrich	IDA Staff
Jeanette Lo Bello	IDA Staff
Jason Sample	IDA Staff
Crystal Erhard	IDA Staff
Paul Wendel	County Executive
Nick Bradish	JRSC
Chris Schastok	CBRE
Dan Leary	Catalyze
Matt Effler	Catalyze
Ellen Ditonto	BPU

Absent Board Member(s):

Bradley Walters Vice Chairman

Meeting was called to order by Gary Henry, Chairman, at 10:30 a.m.

Gary Henry

Good Morning. I would like to welcome everybody to the Board of Director's Meeting for the Chautauqua County Industrial Development Agency. We are at the BWB Building, 201 West Third Street, Jamestown, NY. We are also streaming live via YouTube and Zoom. It's October 22, 2024 and it's 10:30 a.m. We'll start with Roll Call.

Board

Aye – Unanimous. (6 Members Present)

Gary Henry

You should have all received the minutes from the September 24, 2024 meeting and had a chance to review those. Do we have a motion to accept the minutes?

Tom Harmon

So moved.

Gary Henry

Thank you. Do we have a second?

Dan DeMarte

Second.

Gary Henry

Thank you Dan. All those in favor say Aye.

Board

Aye – Unanimous.

Gary Henry

Opposed? The minutes have been approved. Is Milan on with us?

Jeanette Lo Bello

Not yet.

Gary Henry

Ok. We look forward to Millen being able to join us. I'm sure all of you remember that he was donating a kidney and his daughter was receiving a kidney and there was some other people involved in the whole process, but the reports are everybody's doing really well, and so Milan should be able to join us, and his daughter should be home from the hospital soon, so certainly thankful for that blessing, and we'll wish him the best when he joins us. We'll go ahead and move into New Business A - Jamestown Rubber Stamp Company presented by Rosie.

Rosie Strandburg

Today we have Nick Bradish, the CEO of the JRSC Company with us. He'll be available to answer any questions. Today, I'm presenting a Pilot Application for a .24 megawatt AC Small Alternative Energy Facility. It will be located in the town of Kiantone at 1611 Foote Avenue based on New York. Power generated from this facility will go directly back to the business to offset electric costs and the business and demand. In addition to JRC, including the solar, they will be, including a battery storage to both reduce demand changes and protect the business from loss due to frequent power outages. Total project cost is \$1,041,520.00. They are and requesting a 15 year PILOT. This is on our UTEP. What this allows is the IDA is able to abate the incremental increase in property taxes at a hundred percent for 15 years. I will let Rich talk about how that works. He is more knowledgeable about it than I, but with this project they are going to be retaining 7 jobs and creating - I'm sorry, retaining 16 jobs and creating 7 by year 3. And this is the Type 2 Action. Is Milan on yet, Jeanette do you know?

Jeanette Lo Bello

No. Not yet. I don't believe so.

Rich Dixon

I'll talk a little bit about that. The history of that. So, it seems like a hundred years ago, but it was probably 16 -17 years ago New York State came out and had passed a law of section 487 of the Real Property Tax Law about one of those new additions to that law said that solar projects, methane digesters and wind projects would be exempt from real property tax unless the taxing jurisdictions opted out of the law. Well, all the taxing jurisdictions opted out because they were advised that's what they should do. Chautauqua County. The legislature came to us at the time and said should we opt out? We want to opt out and we said we would. The legislator was concerned that people like Mr. Bradish would be negatively impacted by that and have to pay full tax on his. So, we agreed that we would work with the small solar projects. We changed our UTEP and we said that we would do a 15 year exemption on paying no more. So, that basically aren't paying any tax on it for 15 years. So, that's how that all came about.

Rosie Strandburg

Yes. Thank you. Does anyone have questions before I have Greg explain the Resolution that is being presented? No, Ok. Greg if you don't mind?

Greg Peterson

No. I don't mind at all. This is a special. We haven't done one of these in probably 7 or 8 years and because the benefits are under a \$100,000.00 we have combined everything into one. There's not a Public Hearing, there's not a special SEQRA Resolution. We've done this all within one resolution. So, within this Resolution is the SEQRA, which is a Type 2 Action and the approval of the particular benefits under the payment in lieu of tax, which is the 15 year tax benefit. So, it's all nice and neat - one document.

Rosie Strandburg

Thank you Greg.

Gary Henry

Any questions from the Board? Ok, Sagan would you move New Business A1 for us?

Sagan Sheffield-Smith

Resolution 10-22-24-01 Small Solar Resolution for Jamestown Rubber Stamp Co., Inc. – Final Authorizing Resolution

Gary Henry

Do we have a second?

Kevin Muldowney

I'll second.

Gary Henry

Thank you Kevin.

Gary Henry

We'll go ahead and do a Roll Call Vote.

Board

Aye – Unanimous.

Gary Henry

The Resolution is unanimously approved. Thank you. It's an exciting project and we wish the best for your business and look forward to the growth.

Rosie Strandburg

I will get a hold of you so we can talk about next steps.

Nick Bradish

Ok.

Gary Henry

We'll go ahead and move into New Business B – Wells Enterprises Inc. presented by Rosie.

Rosie Strandburg

Thank you. So Wells has come back to us with a Phase 3 Application. They are planning a multi-million dollar addition to their facility totaling 133,000 square feet. This expansion will include a segregated compound facility which will (difficulty hearing audio) chocolate plant and increase production space with the creation of 20 new jobs at completion of this project. Total project cost is \$175 million. This would be a 10 year PILOT. They would be requesting not only a property tax abatement, but the sales tax abatement as well. No mortgage recording tax. The PILOT will produce payments to the affected taxing jurisdictions over the life of the project in the amount of \$2,241,980.00 with a property tax exemption, totaling approximately \$5,576,711.00 and total sales tax savings of about 6 million. They are going to be creating 20 new jobs and then retaining 388 at the end of the project. I do have Chris Schastok with CBRE on the line to answer any questions about the Addition in Phase 3. Does anyone have any questions for Chris before I pass it on to Greg?

Rosie Strandburg

Greg, if you don't mind reviewing the Resolution?

Greg Peterson

Again, this is a Due Diligence Resolution, so it's not the actual adoption of the PILOT but the Due Diligence which authorizes the staff to proceed in reviewing the environmental assessment forms, as well as, the other references and recommendations in the application itself. So, that's what you have. This is the Due Diligence Resolution - attached to it is the Preliminary Agreement which we will sign, which sets forth the obligations and responsibilities of each of the parties.

Rich Dixon

I just wanted Chris or Brad to maybe speak a little bit about the project. If you just give us some of the highlights. I know this project has changed a few times so Chris, if you want to talk about that that'd be great.

Chris Schastok

Sure. Well, for first and foremost Good Morning. Really, really big thank you to the work that that Rosie has done working with our team and Rich as well. Sincere appreciation and thanks from the entire team that was out late summer for the ribbon cutting. This project continues to evolve, and continues to be a really exciting one. You know Rich, I think what I would say and as some of you might have picked up on it. It was an acronym there that that Rosie used and mentioned and what that you know also known as is this represents the addition of a tried and true chocolate plant which will be co-located at the plant. The facility will grow in size as Rosie stated, and this investment and new infrastructure on site will continue and allow for you know, a number of expanded product and R&D, which will really make the Dunkirk facility a world class facility that that Wells and the Ferrero group owns. So, I'm happy to answer any questions, but sincerely appreciate all of the assistance and the support and as you're aware construction is full bore ahead and a lot of excitement out of Le Mars Iowa on this. So again, thank you.

Rosie Strandburg

Thank you Chris.

Greg Peterson

Chris, will my Willy Wonka gold ticket be applicable to your plant?

Chris Schastok

I cannot confirm or deny, but I will certainly run that up the chain and loop back to you with an answer but maybe the answer is yes.

Milan Tyler

This is why I don't usually let Greg attend meetings.

Gary Henry

Well, this is a Due Diligence Resolution so that's good information. I think we probably would need samples of the chocolate to do the Due Diligence to make sure.

Greg Peterson

That's why the ticket gets you to the front of the line.

Chris Schastok

I will let I will let Brad Galles know. I spoke with him this morning. He was traveling otherwise he would be here, and I'm sure if you knock on the right door of the facility in a couple of years someone would be happy to give you a spoonful.

Rich Dixon

Thank you Chris.

Chris Schastok

You're welcome. Thank you Rich.

Gary Henry

Any questions from the Board? Hearing none, Tom would you move New Business B1 for us?

Tom Harmon

Absolutely. Resolution 10-22-24-02 Due Diligence Resolution (2024 PILOT) and Preliminary Agreement - Wells Enterprises, Inc.

Gary Henry

Thank you. Do we have a second?

Sagan Sheffield-Smith

I'll second.

Gary Henry

Thank you Sagan. We'll go ahead and do a Roll Call Vote.

Board

Aye – Unanimous (5 Members) – (Kevin Muldowney Abstained)

Gary Henry

So, the Resolution is approved with one abstention. Next, we'll move into New Business C – Dunkirk Solar One LLC and Dunkirk Solar Two LLC again presented by a very busy Rosie.

Rosie Strandburg

Thank you. So just like the chairman said. I've got Dunkirk Solar One, and Dunkirk Solar Two LLC. We do have Dan Leary on the line as well as Matt Effler who can talk about the project. Dunkirk Solar One is a 5 Megawatt AC, Solar Farm and Dunkirk Solar Two is a 4.8 Megawatt AC Solar Farm - so a combined total of 9.8. This will be on a combined total acreage of 56.8 in the town of Dunkirk at 3761 East Lake Road. Total Project Cost in combined is \$ 22,360,160.00. They are requesting a 25 year PILOT which is a deviation from our standard UTEP as well as sales tax abatement - no mortgage recording taxes being requested on this project. The PILOTS together will produce payments to the affected taxing jurisdiction over the life of the projects in the amount of \$1,302,673.00 with a total tax exemption of \$2,464,091.00 and a sales tax abatement income combined of \$900,000.00. The Town was lead agent, and we concluded with a neg-deck. I do think it's important to stress that, and as we have before, that the Town is in support of this project. We wouldn't move forward without their support and this project or projects, since it's two, have been in the works for quite a few years now. I do again have Dan Leary and Matt Effler on the line. Dan or Matt could you talk about - is there a decommissioning bond in place and can you address any questions that revolve around the landscaping to mitigate any concerns by the public about the solar farms?

Dan Leary

Sure. Hi, everyone this is Dan Leary. I worked closely with the Town over the last couple of years to develop this project, as well as the landowner Lakeside Park. So, this project does have a decommissioning bond and a decommissioning plan

approved by the Town. The bond will be put in place likely next month. The town is approving in their November Town Board Meeting they're going to approve what is referred to as a Host Community Agreement which is in additional payment to the Town itself for hosting the project. In that meeting they'll also sign off on our final form of our decommissioning bond. Once that's done, we will issue the bond from our surety and that bond will be in place through the life of the project, renewing every year and updating its construction cost - the estimated cost for removal every three years throughout the term and the Town is named in that in that bond. What you're looking at is - there's 2 projects side by side. As Rosie mentioned, one is 5 megawatts AC the other is 4.8 megawatts AC and I don't know if Rosie if you or whoever's controlling this, could like maybe rotate counterclockwise one - order one shift. Yeah, one quarter.

So, now what we're looking at is the Lakeshore Drive is to the North here. We're set back behind some of the commercial residential properties that run along that road and so on the Western edge we come through the Farrell roofing property. We have an easement structured with them to access the back of the property which is an open vacant land there. So, Dunkirk Solar One is here just on that to the right of the image there's an access road that divides the two parcels and then Dunkirk Solar, too, is there. When the image comes back you'll see that we actually kind of drop if you're still seeing it I can still describe it, but as the access road comes along the northern or the upper side of the property it then kind of dips down. That dip and so now you're looking at yeah -this is Dunkirk. Solar Two now it's just to the right, to the east, or kind of north but the Lakeshore Drive is still kind of on the up top of the page. All along that access road for both systems we are planting Colorado and White Spruce trees 30 feet on center. All along the entire access road there to the north to shield the system from both the businesses as well as kind of the residents in the Lakeside Park kind of housing area there, just the north. So, all that went through a landscape review plan with the Town and it has been approved. So this project you know, shortly after the Host Community Agreement is put in place, which will be hopefully right alongside of putting the PILOT in place with the IDA here we will then kind of commence some of the preliminary work hopefully, with good weather this winter, in terms of like just prepping the site and getting the access road put in place, and then likely have a you know, from a more comfortable standpoint Spring construction of 2025 and construction will last, you know, maybe three to five months and then another month or two of testing and commissioning with National Grid utility. These projects are not directly going into any home or business. We're tapping directly into the distribution grid that runs up along down the roads and then all the electricity goes into the grid but all the financial value associated with that, because these products are designated what is referred to as community solar -all the financial value of these systems can then be sold to any homes and businesses in the area and it actually is sold at an immediate discount to their bill. So, it's it shows up to them, as you know, no cost and investment to put panels or anything like that on their homes or business. It immediately shows up as a discounted credit on their utility bill with National Grid and you know, kind of very flexible terms in terms of like month to month, year to year, contracts that people can kind of get in. So, a way to kind of like provide kind of immediate financial savings for the long term here to those who otherwise can't put solar panels on their own homes.

Rich Dixon

And just for reference, Rosie, to the South of this is the CSX track, the Nestle parking lot for their trailers, and the Chadwick Bay Industrial Park.

Dan Leary

Correct.

Rich Dixon

There's no visuals from the South at all. Tucked away quite nicely in there.

Rosie Strandburg

Thank you Dan. Is there any questions from the Board for Dan?

Daniel DeMarte

The term is 25 years? What's it normally?

Mark Geise

25

Rosie Strandburg

Our solar projects have been at 25. Yep, which is, yes, a deviation from our standard UTEP.

Mark Geise

Yeah, I just wanted to make one other comment and it's maybe subtle but I think it's important that when we're getting calls from these solar developers we're not sort of putting together the project, then going to the municipality and saying - are you on board? It's when we're getting those calls we're saying you need to talk to the municipality. You need to figure out whether they want to do this kind of project or not, and if they do, then then you're going to come back to us and ask for incentives and as long as the municipality is okay with that, then we're okay with it. So, it's subtle but I think that's important to communicate that. The other thing is that we have a moratorium or pumping the brakes on these projects. We have so many stacked up right now that if the projects aren't already well along, in other words, if these developers aren't already working with the municipalities, and have, you know, sort of sketched out, if you will, then we're not going to entertain them but if they're already down the path pretty far then of course we will. So, this is one of those projects that has been in the works for several years.

Rosie Strandburg

Greg, if you haven't already, would you be able to go over the Resolutions or Milan that are being presented?

Greg Peterson

Let's give the big guy an opportunity to at least enter the scene here. I've covered him for so many years. Milan if you want to take over Dunkirk Solar One and Dunkirk Solar Two and describe the Due Diligence, Resolution.

Milan Tyler

Sure. It is simply a Due Diligence Resolution as we've done so many times before. If it moves ahead we will have a Deviation Hearing because as Rosie mentioned, none of these solar projects fit squarely into your UTEP. We would look at SEQRA which I believe has already been done by the by the Town but we will review that and continue the rest of the due diligence, hold the public hearing, etc., and then come back to the board when all the questions and issues have been resolved. So, this does not obligate the Board in any way. It just instructs staff and council to move ahead and conduct all the due diligence necessary to ask you to make a real final decision.

Rosie Strandburg

Thank you Milan.

Gary Henry

Any other questions from the Board? Hearing none, Dan would you move New Business C1 for us?

Daniel DeMarte

Move to approve Resolution 10-22-24-03 Dunkirk Solar One LLC Due Diligence Resolution and Preliminary Agreement and Resolution 10-22-24-04 Dunkirk Solar Two Due Diligence Resolution and Preliminary Agreement

Gary Henry

Thank you. Do we have a second?

Tom Harmon

I can second it.

Gary Henry

Thank you Tom. We'll go ahead and do a Roll Call Vote.

Board

Aye – Unanimous.

Gary Henry

The Resolution is unanimously approved.

Rosie Strandburg

Thank you Matt. Thank you Dan for joining us today.

Dan Leary

Thank you.

Gary Henry

Next, we'll move into the Executive Director's Report.

Mark Geise

Yeah, I'm going to be quick. I just wanted to give a quick update on both the Ripley Shovel Ready Site project and also the Mason Industrial Park Shovel Ready Site project with Ripley. You probably heard that we secured another grant. Kudos to Nate and others in the Planning Department that have worked so hard on writing those grants. To date we've received -yeah, they've been great - \$4.8 million dollars from the County from the ARPA. So, thank you to the Legislature - really appreciate that. We also received, you know, year after year - last year we didn't get it but we get Capital Projects Funding through the County so we've got a chunk of that. The IDA is committed up to a million dollars towards the project. We received a \$5.25 million dollars FAST New York Grant from Empire State Development. We got the million dollar ARC - Appalachian Regional Commission IIA Grant. We were awarded a \$2 million dollar Appalachian Regional Commission Power grant. We also have a \$600,000 earmark from Schumer's office for the left turning lane off of Ripley and we have an EDA Grant that is pending - we're crossing our fingers on. So, with that additional \$3 million will be good. We could still make the project work, even if we don't get that 3 million by trimming back some of the things like length of the road and the water and the sewer, etc. So, we're so close. So it's been a lot of work - kudos to our team.

Couple of other things real quick. This is going to involve the extension of electric of electric - a little over a mile - and we were working with National Grid to get the easements from the I think it's 22 property owners ultimately will require easements from them. We're having a meeting on the 28th. We sent out a letter to our property owner's sort of explaining the project and what we're trying to do. We're trying to get 34.5 kb down to the site right now. It's got less than 5. So, we really need that that power there. So, at that 28th meeting we'll have National Grid there. We'll be there - talk about the project, talk about what's involved, talk about easements. Of course, they would get paid for these easements. So, we got that going, and then we also have a Request for Qualifications that we're going - we've got fully drafted. We'll get over that that over to Milan probably in the next few days to look at. So, that would be for the project management and engineering. So, we have to obviously engineer everything and then put that out to bid for the contractors to actually do the work. It would be good to get going on this in in the spring - crossing our fingers. We bought all the Phase 1 parcels and next year we'll purchase the phase 2 parcels. You know, all said and done 150 acres or so - a lot of work, but we're getting there. Just keep plugging away.

Mason Industrial Park -if you recall, we matched County funding. We each pledged up to \$90,000 to do the Environmental Due Diligence on the 60 acres or so of land that we own in Mason Industrial Park - to get that - get the environmental portion of the shovel ready done. I got a report as of yesterday that the geotech was done, the wetlands and threatened endangered species is completed, and that's been submitted to the US Army Corps of Engineers in New York State DEC. The archaeological is going to be based upon - they've narrowed down the portions of where they want to do the Archaeological Review, and that's about 8.5 acres. So, they'll get that underway. Then, the survey Eco Strategies has been authorized to proceed, and then the traffic study has been completed. So, in the next month and a half or so we should have that environmental portion done, and then the other piece of that is getting the infrastructure through that site. So, we went back to the County. Tomorrow night the legislature will be considering another \$500,000. It's actually \$499,500.00 of ARPA to do the actual extension of the infrastructure. So, there's things like Erosion Control, Storm Water Management, Stubbing in the access road about 100 feet, installing a new 12 inch water main into the park - 75 feet sewer into the park -75 feet gas needs to be extended about 600 feet, because it's not at the road right now and then, telephone and communication 600 feet. So, that all said and done is about \$500,000.00. We hope to get that approval tomorrow night, and then we can get rolling on that as well. So, Mason would be Shovel Ready officially once we get that completed. So, those are the two sort of high level things I wanted to talk about. Anybody have any questions.

Kevin Muldowney

Good Job.

Mark Geise

Thank you. Good Team.

Gary Henry

Next, we'll move into the Treasurer's Report.

Rich Dixon

Rich reviewed and discussed the Treasurer's Report and the Budget.

I'd like to thank Nate and Mark and Mark's team here for what a great job they've done you know, making it a financially stable organization.

Gary Henry

Any questions from the Board? Hearing none, do we'll go ahead and do a Roll Call Vote to approve the Treasurer's Report and to approve the Budget for next year as well.

Board

Aye – Unanimous.

Gary Henry

Opposed. The Treasurer's Report and the Budget have been approved.

Gary Henry

At this point I would entertain a Motion to go into Executive Session, for the purposes of discussing the financial or credit history of a particular person or corporation. In particular I would like to discuss the status of our loan portfolio and the financial and credit status of some of our borrowers. Do I hear such a motion?

Sagan Sheffield-Smith

So moved.

Gary Henry

Thank you Sagan. Do we have a second?

Tom Harmon

I can second it.

Gary Henry

Thank you Tom.

Gary Henry

All those in favor say Aye.

Board

Aye – Unanimous.

Gary Henry

Opposed? Ok. We will now go into Executive Session as soon as Jeanette gives us the green light.

Executive Session

Start Time: 11:03 a.m.

Executive Session

End Time: 11:23 a.m.

Gary Henry

We are back in open session. I would like to report that there were no actions or votes taken during Executive Session and therefore no minutes of the meeting were taken.

Gary Henry

Is there any Old Business to come before the Board? Hearing none we will consider the meeting adjourned. The next IDA Board Meeting will be November 19, 2024 at 10:30 a.m. We will be meeting again here at the BWB Building.

The meeting is adjourned at 11:24 a.m.

(Assistant) Secretary

(Vice) Chairman