BINGHAMTON LOCAL DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
THURSDAY, FEBRUARY 27, 2020

ATTENDANCE	2019										2020	
Directors	4/26	5/23	6/27	7/27	8/22	9/26	10/24	11/14	11/25	12/19	1/21	2/27
David , Rich	P	P	P	P	N/A	N/A	P	P	P	P	P	P
Berling, Juliet	EX	P	P	P	N/A	N/A	EX	P	P	P	EX	P
Burns, Joe	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	P	P
Frank, Kenneth	P	P	P	EX	N/A	N/A	P	P	P	P	P	P
Jacyna, Mary	P	P	P	P	N/A	N/A	P	P	P	P	EX	P
Koffman, Betsy	EX	P	EX	P	N/A	N/A	P	EX	EX	P	P	EX
Sall , Ron	P	P	P	P	N/A	N/A	P	P	EX	P	P	P
Saraceno, John	P	P	EX	P	N/A	N/A	P	P	P	P	P	P
Shager, Chuck	P	P	P	EX	N/A	N/A	P	P	P	P	P	P
Smith, Art	P	P	P	P	N/A	N/A	P	P	P	P	P	P
Strawn, Philip	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	EX	P
Stromhaug, Per	EX	EX	P	P	N/A	N/A	P	P	P	P	P	EX
Staff												
Joel Boyd	P	P	P	P	N/A	N/A	P	P	P	EX	P	P
Lesley Cornwall	P	P	P	P	N/A	N/A	P	P	P	EX	P	P
Other												
Steve Carson	P	P	P	P	N/A	N/A	P	P	N/A	P	P	P

President Saraceno called the Regular Monthly Meeting to order at 9:31 AM.

APPROVAL OF THE MINUTES OF THE JANUARY 21ST REGULAR MEETING
President Saraceno asked for a review of the minutes of the January 21, 2020 Regular Meeting. Mayor David motioned, A. Smith seconded and the minutes were approved (10-0-0).

PRESENTATION OF THE JANUARY 2020 TREASURER REPORT
T. Arrington presented the January report and noted the corrected Restricted Account Annual Income and Expenses page that had the HUD drawdown figure discussed at the prior month's meeting removed. The Restricted Account had an end of month balance of $1,130,743.71 with 1 active loan and 4 loans in default. K. Frank said there was no new update regarding Mountain Fresh Dairy, there was a co-action being pursued with the Broome County Industrial Development Agency; Mountain Fresh proposed a schedule to make payments but had not signed it; the BCIDA was moving

forward with foreclosure. R. Sall expressed concern about the vacant unheated building withstanding the winter months. The UDAG Account had an end of month balance of $969,543.55 with 18 open loans. Jrama's Catering was in default and Z. Salisbury QOLA was 3 months behind payment. A judgement was in place against Jrama's and it had been turned over for collection. The Unrestricted Account had an end of month income balance of $7,832.44. Broome Enterprise Triad received payment from Empire State Development and funds were transferred to the SUNY Broome EAP Program. The Mayor's Veterans Initiative had an end of month balance of $52,729.91. The Grant account had an end of month balance of $6,418.76. The effective delinquency percentage of all loans not designated as non-performing was 0.19%. C. Shager said next year the BLDC would be following the recommendations of the auditors and statements would display budget figures alongside actual expenses and thereby provide better guidance to management.

K. Frank noted that the Board needed to act to accept the auditor's report. C. Shager said before taking action, Keeley Hines of Bonadio, LLP wanted to speak about the BLDC's annual IRS-990 and NYS CHAR-500 filings, both of which are informational returns required of non-profit organizations. Ms. Hines said Bonadio had had success in helping non-profit authorities cease filings by referencing IRS-9548 for these documents which is unnecessary and wasteful of authority resources. The BLDC is already required to annually upload the same information in compliance with the NYS Public Authorities Accountability Act. In addition the BLDC is a blended component of the City of Binghamton. She said she had brought an engagement letter and for a fee of $2,000, Bonadio, LLP would undertake the necessary steps to convince the tax authorities to remove the filing requirement. She said the initiative would involve provided a Power of Attorney to the auditing firm to pursue rescinding the federal 990 filing requirement and once that release document was obtained it would be presented to the NYS Charities Bureau to eliminate the CHAR-500 filing requirement. She said the effort would likely take 18 months but would pay for itself within a year or two vs. continuing to pay an independent auditor to complete the annual filing. She said that Bonadio's Syracuse office had successfully accomplished the exclusion for about 6 other public authorities within the last few months. Hines said Bonadio was charging $1,500 to complete the BLDC's IRS-990 and CHAR-500 filing for 2018, so if the BLDC paid $2,000 once it could make that annual filing requirement go away. She said the firm had spoken with examiners from the IRS who agreed that the 990 filing requirement was not necessary for similar NYS public authorities. R. Sall motioned to accept the auditor's report, M. Jacyna seconded and the motion was approved (10-0-0).

New Business:

<u>RESOLUTION 20-3</u> A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION APPROVING PERFORMANCE MEASURES FOR THE BLDC FOR 2019-2020

President Saraceno asked Board Members to review the resolution to accept the Authorities Budget Office required performance measures for 2019-2020. Mayor David motioned, A. Smith seconded and the resolution was approved (10-0-0).

Mayor's Remarks:

Mayor David said he had given the State of the City address earlier that week and many things were happening and said he wanted to limit his remarks to those of Board interest.

Concerning the 7 Hawley Street parking garage project he said the City opened bids at the prior day's Board of Contract & Supply meeting for the general contractor, HVAC, plumbing and electrical contractors. He said there was a lot of bidder interest in the project and the bids were within the project's estimated budget. He said the bids were being reviewed by the architect, Clark Patterson Lee, for completeness and expected they would be awarded within two weeks. He said he expected the project would break ground at the end of March or early April and would be completed by the end of the year.

Regarding the $20.5 million 435 State Street Canal Plaza project he said the exterior was largely completed and work was proceeding on the interior. He said the project was on time and budget. 48 units of affordable housing will begin leasing in mid-March and the building is expected to open in August. CHOW should be able to move into their 5,000 SF space in June-July and will be doing their own buildout. He said the City has spoken with some developers who are interested in the other half of the 4-acre parcel which the BLDC owns. He said the *Press & Sun-Bulletin* had an online story running about four projects underway on the Northside, however this project had spearheaded a lot of the other developments. He encouraged members to drive by and see the progress underway.

Mayor David said the City had conducted a series of public meetings for the Metrocenter plaza area development. He said the City now had a preliminary final design and expected to bid it out and have it completed within the year. He said the City would do streetscape improvements for the DECO District: streets, sidewalks, curbs, amenities, benches, trees, and lighting in the identified area. He said a lot of projects were coming to fruition in 2020. R. Sall asked if the courtyard of the

Metrocenter would be available for July Fest to which Mayor David said yes. R. Sall said the event was generating greater interest this year with artists and craft vendors and really expected to need more space. Mayor David said the renovated Metrocenter space would be much more than the present concrete rectangle. It would be a community gathering space able to host July Fest and would have a bigger area to display a large Christmas tree and lighting, which was important to a lot of downtown stakeholders. C. Shager said the Board should also note that $4.5 million of the garage project beyond the precast was being bid by local companies many located within the City of Binghamton, so the project would keep dollars local.

There being no further business to come before the Board, President Saraceno asked for a motion to adjourn the meeting. Mayor David motioned, M. Jacyna seconded and the motion passed (10-0-0). The meeting ended at 9:53 AM.

Ronald S Sall

Ron Sall, Secretary
Binghamton Local Development Corporation