Chenango County IDA
Board Meeting Minutes
June 26, 2024 | 8:00 a.m.

Present: B. Burton; M. Khoury; RC. Woodford; S. Foulds; T. Zieno; P. Raymond; M. Ryan
Staff: B. Knowles. J. Holden; S. Testani
Guest: S. Butler; J. Blanchard

1. B. Burton called the board meeting to order at 8:01 a.m.

2. Roll call.

3. B. Burton read the IDA Mission Statement: *"It is the mission of the Chenango County Industrial Development Agency to advance the health, prosperity and welfare of the county's citizens by helping to retain, create and attract businesses through appropriate investments and incentives."*

4. A motion to approve the May 15, 2024, Regular meeting minutes was made by M Ryan. Seconded by RC. Woodford. Ayes all. Approved.

5. B. Burton reviewed the May 31,2024 Financial Statement.
a. Motion to approve May 31, 2024, Financial Statement as presented made by P. Raymond. Seconded by RC. Woodford. Ayes all. Approved.

6. Bills and invoices were reviewed in detail:
a. Motion to approve the bills and invoices made by RC Woodford. Seconded by M. Khoury. Ayes all. Approved.

7. Shane Butler was unbale to do his presentation.

8. Executive Director Report: Sal gave an update on the sale property Woods Corners and an update on the Economic Development Strategy RFP.

9. PILOTs
a. Payne Solar Project
i. Public Hearing set for July 18, 2024, 6:30 pm Town of Bainbridge
b. NYS&W
i. Public Hearing set for July 29, 2024, 5:00pm Commerce Chenango
c. Norwich Pharma
i. Public Hearing set for July 31, 2024, 6:00pm Town of North Norwich

10. Old Business: NYS&W

RESOLUTION OF THE COUNTY OF CHENANGO INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION OF AN ENVIRONMENTAL EASEMENT

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to encourage the remediation of abandoned and likely contaminated properties ("sites") that threaten the health and vitality of the communities they burden while at the same time ensuring the protecting of public health and the environment;

WHEREAS, the Legislature of the State of New York has declared that it is in the public interest to establish within the New York State Department of Environmental Conservation ("NYSDEC") a statutory environmental remediation program that includes the use of "Environmental Easements" as an enforceable means of ensuring the performance of operation, maintenance, and/or monitoring requirements and the restriction of future uses of the land, when an environmental remediation project leaves residual contamination at levels that have been determined to be safe for a specific use, but not all uses, or which includes engineered structures that must be maintained or protected against damage to perform properly and be effective, or which requires groundwater use or soil management restrictions; and

WHEREAS, the Legislature of the State of New York has declared that Environmental Easement shall mean an interest in real property, created under and subject to the provisions of Article 71, Title 36 of the New York State Environmental Conservation Law ("ECL") which contains a use restriction and/or prohibition on the use of land in a manner inconsistent with engineering controls which are intended to ensure the long term effectiveness of a site remedial program or eliminate potential exposure pathways to hazardous waste or petroleum; and

WHEREAS, the Agency is the fee owner of real property located at the address of Lee Avenue/Route 23, known as the Lee Avenue Railroad Area, in the City of Norwich, County of Chenango and State of New York, known and designated on the tax map of the County Clerk of Chenango as tax map parcel numbers: Section 136.65 Block 6 Lot 37.1, being a portion of the property conveyed to the Agency by deed dated April 27, 1982 and recorded in the Chenango County Clerk's Office in Liber and Page 608/167. The property subject to this Environmental Easement (the "Controlled Property") comprises approximately 1.478 acres +/- acres, and is hereinafter more fully described as the North and South Parcel in the Land Title Survey dated October 18, 2017 prepared by Ammon A. Bush, L.L.S., which will be attached to the Site Management Plan; and

WHEREAS, The New York Susquehanna and Western Railway Corporation has a 10-year leasehold interest in a portion of the Controlled Property by means of a Lease and Operating Agreement dated as of August 28, 2013; and

WHEREAS, the Agency desires to convey to The People of the State of New York (the "Grantee"), acting through their Commissioner of the NYSDEC, an Environmental Easement with respect to the Controlled Property pursuant to Article 71, Title 36 of the New York State Environmental Conservation Law and to take all steps necessary in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the County of Chenango Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. The Agency is hereby authorized to convey to the Grantee and/or NYSDEC an Environmental Easement with respect to the Controlled Property and to enter into the Environmental Easement Agreement (the "Agreement") in substantially the form attached hereto as Exhibit "A."

Section 2. The Chief Executive Officer of the Agency is hereby authorized and directed to execute and deliver any agreements, documents, or instruments required by the Grantee and/or NYSDEC in connection with the conveyance of the Environmental Easement, including, but not limited to, the Agreement (in substantially the form attached hereto as Exhibit A), and to take all actions necessary to comply with the terms of the Agreement, and that all actions of the Chief Executive Officer and other officers heretofore taken in connection with the Agreement and the conveyance of the Environmental Easement are hereby ratified and approved.

Section 3. This resolution shall take effective immediately.

STATE OF NEW YORK)
: ss.:
COUNTY OF CHENANGO)

I, the undersigned Secretary of the County of Chenango Industrial Development Agency DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the County of Chenango Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on June 26, 2024 at 8:00 a.m., local time, at Norwich, New York which the following members were:

Members Present:
B. Burton
P. Raymond
M. Ryan
RC Woodford
T. Zieno
S. Foulds
M. Khoury

Staff Present:
S. Testani
B. Knowles

J. Holden

Others Present:

J. Burton
S. Butler

The question of the adoption of the foregoing resolution was duly put to vote, which resulted as follows:

Voting Aye	Voting Nay
7	0

and, therefore, the resolution was declared duly adopted.

The Agreement is in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) the meeting was open for the public to attend and public notice of the date, time and location for the meeting was duly given, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2024.

_____
Secretary

RESOLUTION OF THE COUNTY OF CHENANGO INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPROVING FINANCIAL ASSISTANCE AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT, AUTHORIZING THE AGENCY TO CONDUCT A PUBLIC HEARING AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 580 of the Laws of 1973 of the State of New York (collectively, the "Act"), the County of Chenango Industrial Development Agency (the "Agency") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency acquired fee title to a certain industrial development facility consisting of a railway line of approximately 45.54 miles consisting of lands, beds, rails, ties, ballast, switching devices, crossing gates and guards, bridges, culverts, sluices, buildings, signal devices and other manner of apparatus appurtenant to the operation of said railway line, which enters Chenango County in the Town of Greene at mile point 203.57 near Chenango Forks and continues in a generally northeasterly direction through the Town and Village of Greene, the Town and Village of Oxford, the Town of Norwich, the City of Norwich, the Town of North Norwich, the Town and Village of Sherburne to mile point 244.11 where the line exits the northern boundary of Chenango County and enters the Town of Hamilton, Madison County, all to be used for the purpose of preserving the railway line for potential rail use and/or potential near-term rails to trails recreational usage (the "Facility"); and

WHEREAS, the Agency determined that the Facility will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their recreation opportunities, prosperity and standard of living, and help prevent economic deterioration and thereby serve the public purposes of the Act and, as such, approved the same; and

WHEREAS, the Agency owns fee title to the Facility and leases the Facility to New York, Susquehanna and Western Railway Corporation (the "Company") for its operation pursuant to a Lease and Operating Agreement dated as of August 28, 2013 as the same may be further amended from time to time (collectively, the "Existing Lease Agreement"); and

WHEREAS, the Facility is fully exempt from real property taxes pursuant to the terms of the Existing Lease Agreement; and

WHEREAS, the Existing Lease Agreement contained a Payment-in-Lieu-of-Tax Agreement that is set for expire in August, 2024; and

WHEREAS, the Company has requested the Agency execute a new Payment-In-Lieu-of-Tax ("PILOT") Agreement for five (5) years, to support the Company's mission of "rail banking" the Facility to preserve it for potential rail use and potential future rails to trails recreational use; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency is contemplating approving financial assistance in furtherance of the continued operation and validity of the Facility by extending the period of time during which the Facility will be fully exempt from real property taxes for a period of five (5) additional years (the "Financial Assistance"), which Financial Assistance is a deviation from the Agency's Uniform Tax Exemption Policy (the "Policy"), and which will be more particularly set forth in a final authorizing resolution; and

WHEREAS, the Company estimates the value of the requested Financial Assistance is approximately $123,954.95; and

WHEREAS, the Agency is contemplating deviating from its Policy for the following reasons:

o The nature of the proposed project: The proposed project allows for the preservation of the Facility, which is essential to preserve the ability of operating it for potential rail use and potential future rails to trails recreational use. Failure to abate real property taxes on the Facility would force the Company to move forward with alternatives that would preclude the preservation of the Facility for future rail service or rails to trails programs.

o The nature of the property before the project begins: The project has been under a PILOT and an extension under the current terms is essential for the preservation and maintenance of the Facility. The Facility may be at risk of abandonment and economic deterioration in the absence of the project.

o The economic condition of the area at the time of the application: The Facility is at risk of abandonment and economic deterioration.

o The impact of the project and the proposed tax exemptions on affected tax jurisdictions: It will have no material impact on affected tax jurisdictions insofar as the project has been under a 100% PILOT since at least 2013.

o The extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the County of Chenango: The Company's preservation of the Facility may result in services and/or programs (i.e. rail service and/or a rails to trails program) that are not otherwise available in the County of Chenango. In the absence of the Company undertaking the proposed project, the Agency would not have any other viable or alternative uses to accomplish the preservation of the Facility.

WHEREAS, prior to granting of any Financial Assistance, a public hearing (the "Hearing") will be held so that all persons with views in favor of or opposed to either the Financial Assistance contemplated by the Agency, or the location or nature of the Facility, can be heard; and

WHEREAS, notice of the Hearing will be given prior to the granting of any Financial Assistance, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to maintain and expand the Facility in the County or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "SEQR Act" or "SEQRA"), the Agency constitutes a "State Agency", and it must therefore satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the provision of financial assistance to the Facility; and

NOW, THEREFORE, BE IT RESOLVED by the County of Chenango Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. (a) The Agency's Financial Assistance to the Facility, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County and the people of the State of New York and improve their recreation opportunities, prosperity, and standard of living, and help permanent economic deterioration and thereby serve the public purposes of the Act and the same is, therefore, approved.

(b) It is desirable and in the public interest for the Agency to grant the Financial Assistance in support of the Facility for the purpose of providing continued Financial Assistance for the Facility, as reflected in the Company's application to the Agency and as amended from time to time prior to the grant of the aforementioned financial assistance.

Section 2. The form and substance of a proposed inducement agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the grant of the aforementioned financial assistance (the "Agreement") is hereby approved. The Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, with such changes in terms and form as the Chairman shall approve. The execution thereof by the Chairman shall constitute conclusive evidence of such approval.

Section 3. (a) The Agency will provide the Financial Assistance with respect to the Facility subject to (i) obtaining all necessary governmental approvals, (ii) approval of the directors of Company, (iii) approval of the members of the Agency, (iv) satisfactory completion of the environmental review of the Facility by the Agency in compliance with the State Environmental Quality Review Act, (v) agreement by the Agency and Company upon mutually acceptable terms and conditions for the PILOT and other documentation usual and customary to transactions of this nature, (vi) the condition that there are no changes in New York State Law which prohibit or limit the Agency from fulfilling its obligation and commitment as herein set forth to enter into the PILOT, and (vii) payment by Company of the transaction fee and disbursements of the Agency and the fees and disbursements of transaction counsel, more particularly described in the Inducement Agreement.

(b) The Agency's provision of Financial Assistance with respect to the Facility is also subject to the following conditions:

i. The Company shall provide satisfactory evidence of compliance with the insurance provisions contained in the Existing Lease Agreement;

ii. Due to the unique nature of the Facility being an infrastructure project and to ensure public safety, the Company agrees to regularly maintain the Facility and shall submit with its annual report a summary of annual maintenance activity and expenditures;

iii. The following conditions in the Existing Lease Agreement shall remain intact:

(a) The Company agrees not to unreasonably withhold or unreasonably condition access or crossing or utility rights (the "Rights") to any municipality located in the County of Chenango, and to charge no more for existing and future Rights than actual and reasonable out-of-pocket costs incurred by the Company attendant with the portion of tracks to which the Rights pertain.

(b) The Company agrees not to unreasonably withhold or unreasonably condition easement or license agreements for utilities or access to adjacent private property owners provided however that the Company may charge such private property owners the actual costs incurred by the Company for creating and maintaining, and increased operating costs resulting from, such easements and licenses and further provided that the Company may charge private developers a market price for easements and licenses where other access is available to such private developers but access through and over the Facility is financially and/or practically advantageous to such private developers, and further provided that nothing contained herein shall be deemed or construed to prevent the Company from charging at all times and under all circumstances market prices for easements and licenses for utility (gas, oil, water, electricity, cable, telephone, Internet, etc.) transmission facilities to the extent they do not serve adjoining private property.

(c) The Company agrees to be responsible for regular maintenance and cleanup of the Facility, provided however, that nothing shall preclude the Company from requiring third parties to maintain and keep clean the specific areas covered by their easements or licenses.

Section 4. The Agency is hereby authorized and directed to schedule the Hearing, so that the Agency may receive comments from all interested parties on the financial assistance contemplated by the Agency and the Financial Assistance requested by Company.

Section 5. The law firm of Bond, Schoeneck & King, PLLC is appointed Transaction Counsel in connection with the Financial Assistance and PILOT.

Section 6. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to Company and others to prepare, for submission to the Agency, all documents necessary to effect the Financial Assistance and PILOT.

Section 7. The Chairman of the Agency is hereby authorized and directed (i) to distribute copies of this resolution to Company; (ii) distribute copies of this resolution (including the reasons for deviating from Policy) and notice of the Hearing by certified mail, return receipt requested, to all affected taxing jurisdictions and (iii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. This resolution shall take effect immediately.

STATE OF NEW YORK)
: ss.:
COUNTY OF CHENANGO)

I, the undersigned Secretary of the County of Chenango Industrial Development Agency DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the County of Chenango Industrial Development Agency (the "Agency"), with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on June 26, 2024 at 8:00 a.m., local time, at Norwich, New York which the following members were:

Members Present:
B. Burton
P. Raymond
M. Ryan
RC Woodford
M. Khoury
T. Zieno
S. Foulds

Staff Present:

S. Testani
B. Knowles
J. Holden

Others Present:

J. Burton
S. Butler

The question of the adoption of the foregoing resolution was duly put to vote, which resulted as follows:

Voting Aye	Voting Nay
7	0

and, therefore, the resolution was declared duly adopted.

The Agreement and the Application are in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) the meeting was open for the public to attend and public notice of the date, time and location for the meeting was duly given, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2024.

_____
Secretary

11. Motion to approve the Amendment to the Lease and Operating Agreement made by M. Khoury. Seconded by T. Zieno. Ayes all. Approved

12. Motion to approve the Environment Easement made by RC Woodford. Seconded by S. Foulds. Ayes all. Approved

13. Hotel PILOT: Motion to accept the PILOT application from Principle Holding Group, LLC with the understanding that it will be a 15-year PILOT made by P. Raymond. Seconded by M. Ryan. B. Burton and RC Woodford abstained. The rest ayes. Approved.

14. New Business:
a. S. Testani gave an update on the Preferred building.

15. Motion to Adjourn at 8:50 am was made by S. Foulds, Seconded by M. Khoury. Ayes all. Approved.

Respectfully Submitted,

John Holden

John Holden (reviewed by B. Knowles)

Board Recorder