

BOARD OF DIRECTORS MEETING

County of Chautauqua Industrial Development Agency

BWB Building
201 West Third Street, Jamestown, NY
2nd Floor Board Room
&
Fredonia Technology Incubator
214 Central Avenue, Dunkirk, NY
1st Floor Conference Room

September 27, 2022
10:02 a.m.

Michael Metzger	Chairman
Brad Walters	Member
Kevin Muldowney	Member
Rhonda Jonson	Member
Steven Thorpe	Member
Jay Churchill	Member
Dennis Rak	Vice Chairman

Also in attendance:

Mark Geise	Administrative Director/CEO
Richard E. Dixon	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel
Greg Peterson	Counsel
Carol Rasmussen	CCIDA Staff
Crystal Erhard	CCIDA Staff
Jeanette Lo Bello	CCIDA Staff
Rosie Strandburg	CCIDA Staff
Jason Toczydlowski	CCIDA Staff
Monica Simpson	CCIDA Staff
Nate Aldrich	CCIDA Staff
P.J. Wendel	County Executive
Ashley Parslow	ABO
Catherine Schepp	Clean Choice Energy
Tim Ahrens	Clean Choice Energy
Zachary Sherry	New Energy Equity
Adam Rowles	Saturn Power

Absent Board Member(s):

Gary Henry	Secretary
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Meeting was called to order by Mike Metzger, Chairman, at 10:02 a.m.

Mike Metzger - Thank you. I would like to call the County of Chautauqua Industrial Development Agency Board of Director's Meeting to order and its being held at the BWB Building at 201 West Third Street, Jamestown New York. We are at the second floor Board Room. We have others people from our team located at the Fredonia Technology Incubator at 214 Central Avenue in Dunkirk New York first floor conference room. We are also electronically via livestream and zoom. It is September 27th, 2022 and it is shortly after 10:00 a.m. We do have quorum. Roll call please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show that there are seven members present and we have quorum. I will entertain the motion to approve the July 26, 2022 minutes that you previously received. Thank you Jeanette.

Kevin Muldowney

So moved.

Mike Metzger

I have a motion by Kevin, do I have a second?

Dennis Rak

Second.

Mike Metzger

I have a motion by Kevin and a second by Dennis. Thank you. Any further discussion, questions, changes, corrections, or comments? Hearing none, all those in favor.

Board

Aye – Unanimous.

Mike Metzger

Opposed? Abstained? Motion carried unanimously. Is Ashley Parslow present?

Jeanette Lo Bello

Yes.

Mike Metzger

I would like to introduce Ashley Parslow from the ABO office and she is attending our meeting and I was wondering if she would like to comment relative to the ongoing audit.

Ashley Parslow

Good Morning everyone. I am Ashley Parslow from the Authorities Budget Office. I am leading our team in the review of the Chautauqua County IDA, CRC and CREDC along with the Partnership. We are still in our analytical process of reviewing documentation and following up with the IDA staff on any questions that we have. That process should last for another month or so, and then get into report writing and what we will be doing as we go is sharing our initial

observations, which we have done a little bit so far with Mark and Rich. Also, obviously just sharing in discussion things that we are observing so they are aware and nothing is a surprise at the end. Just to give you a little idea we have been doing the initial part of our work – understanding how the IDA works because the IDA has multiple different parts, CREDC the Partnership, it's a little more intensive. We are also trying to balance a work in the office, work on site, and kind of budgeting because of the distance. The staff has been really great in follow-up and working through the phone and video to answer questions. Then we get more into reviewing documents, some that are being provided and once that stage is done we get into report writing. Then that draft is shared with management and the Board for response. Then once we meet and discuss that final on that draft, make any revisions it becomes final and then its posted on our website as a public document. So, it's just like a quick in a nutshell how it works. If you have any questions, I can answer them.

Mike Metzger

Thank you Ashley. We are looking forward to your report and your recommendations.

Ashley Parslow

Great. Thank you again.

Mike Metzger

Is PJ Wendel present?

PJ Wendel

Yes, I am Mike.

Mike Metzger

At this time, I would like PJ Wendel, our County Executive – much appreciated – you attending our meetings and for the support that continue to you provide the IDA. Is there anything you would like to say?

PJ Wendel

Once again, I would just like to commend the group on what they do. When you're looking at over a dozen new businesses and new business opportunities coming to Chautauqua County I think this is often overlooked by the community. They always ask me what's going on. We don't see anything. I'm like you have no idea what is going on. There is so much. Again, just excited to see everything that comes before the Board for every meeting and the extensive work you all are doing around the clock and throughout the County. On behalf of myself and the residents, thank you for all you do and keep up the good work.

Mike Metzger

Thank you for the kind words and we appreciate it. I would like to know move to New Business A which is to be presented by Rosie and Milan.

Rosie Strandburg

Thank you Mike. Today we have Martin NY CSG, LLC who is going to own and operate a five megawatt AC solar farm on approximately 29 ½ acres in the Town of Ripley – 5246 Route 76 to be specific. Total project cost is \$8,687,350.00. We did speak with the Town Supervisor Doug Bowen and he is in favor the project. They have been granted their special use permit. The incentives that are being considered with this application is a 25 year PILOT which is a deviation for property tax abatement only. They are not in need of sales tax or mortgage recording. Construction is estimated to begin in the spring of 2023 with energy generation expected in the fall of 2023. The Town was lead agency, A SEQRA was completed and the conclusion was a negative declaration. I do have Catherine Schepp. Tim Ahrens from Clean Choice Energy and Zachary Sherry from New Energy Equity here with us today. Would you guys like to discuss the project, provide a brief overview, touch on any site mitigation and touch on the decommissioning bond?

Catherine Schepp

Of course. Thank you for your time today. We are really excited to move forward with this application. This project in Ripley NY- we signed a lease for the property about two years ago. I've been slowly developing it ever since. We chose this property because it is nice, flat and it's a single landowner and through our site design we have been able to avoid all environmental issues, all wetlands, and it's naturally screened on multiple sides, so it doesn't disrupt the neighborhood character at all. There are no residences directly across the street from it, though we have proposed some tree screening along the road and we've been cooperating nicely with the landowner the whole time. He is very excited to have a new use for this property, as he's been struggling to get farming to work on the land over the past number of years. When we got our special use permit – part of the permit was putting a decommissioning security in place which covers the full cost to remove the project and restore it at the end of the projects life. The exact amount was determined by the Town of Ripley so we cooperated with them on that. Hopefully that addresses your big looming questions but we are here to answer any questions you have and we look forward to speaking about it further.

Rosie Strandburg

Thank you Catherine. Does anyone have any questions for Martin NY CSG? If not, I will have Milan go ahead and discuss the resolution that we are going to present today to the Board.

Milan Tyler

This is now a standard due diligence resolution. The only thing that it does is that it authorizes the staff and council to start the due diligence process and that would include SEQRA, make sure there are now adverse effects on the environment, negotiating the financial assistance, holding the public hearing and as Rosie mentioned probably holding the deviation notice once we agree on what the financial assistance would be by way of PILOT and then wrapping that all up in a bow and coming back to the IDA for its formal approval and possibly SEQRA resolution and possible deviation resolution. So again, this is just a due diligence resolution indicating that there is enough interest from the Board to instruct us to go forward and investigate this a little bit more.

Rosie Strandburg

Thank you Milan.

Rich Dixon

I had one question I wanted to ask Catherine. Catherine can you tell us where you are with your interconnect with National Grid and how that is going? Where are you in that process?

Catherine Schepp

Yes. We have already completed the Caesar study and paid our first deposit. So, we are now working on scheduling our construction meeting so they can see exactly where they need to put their interconnection polls prior to us doing our part of the construction. So, we are all the way through the study process.

Rich Dixon

Thank you.

Mike Metzger

You shouldn't be disappointed that we don't have any questions but at this state in the process we've gone through well over twelve of these projects. We appreciate you coming and your commitment to Chautauqua County. It's greatly appreciated. If there aren't any other questions I will ask Jay if he could please read New Business A2.

Jay Churchill

Resolution 09-27-22-01 Due Diligence Resolution and Agreement Martin NY CSG, LLC

Mike Metzger

Thank you. Do I have a second?

Rhonda Johnson

I'll second.

Mike Metzger

Motion made by Jay, seconded by Rhonda. Any further discussion? Hearing none, roll call vote please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show, seven votes in the affirmative, motion carried unanimously. Thank you very much. We greatly appreciate your attention to Chautauqua County. Good luck with your project.

Catherine Schepp

Thank you.

Mike Metzger

Thank you Milan and Rosie for your work on this project. Now, we will move to New Business B, Carol please.

Carol Rasmussen

Thank you Mr. Chairman. The resolution before you, B1, is the resolution for an AL Tech Loan MKJM LLC dba the Landmark Restaurant on West Fourth Street. We are here to approve a \$250,000 working capital loan. This loan was approved at the January 26th meeting as a CARES Act Loan. It was approved for \$250,000 for leasehold improvements. It was approved for 2.44 for ten years. We would like to do this at this point and the reason it did not close within the time frame is because of construction and materials not coming in. They just weren't able to finish their patio. It definitely covid related. They were mandated to shut down. The purpose for the patio – they had a patio there but it was really in bad condition – and extended seating due to covid. So, because we were unable to close it at that time we are now requesting that we do approve this loan to be closed for \$250,000 for MKJM LLC Landmark Restaurant for ten years at the 2.44%. The loan is going to be secured by a subordinate lien position on all accounts receivable, furniture, fixtures, machinery and equipment, all inventory and assets of the company. Keyman life insurance on Patricia Centi who is the owner and runs the restaurant in the amount of the loan and also her unlimited personal guarantee. So, it's pretty straight forward. They were losing all their operating revenue and we can take this out of the AL Tech Fund now at the same rate for the same years.

Rich Dixon

By June 30th we had to close all of our CARES Act Loans that we made with no bank participation, no owner equity, none of that. When that expired – that timeframe – we couldn't fund it because they weren't done. Just moving it over to the AL Tech Loan which as Carol said, it's been defederalized so it's the exact same terms, the exact same approval. It's absolutely gorgeous, isn't it Carol? I encourage everybody to get up there.

Carol Rasmussen

It's beautiful.

PJ Wendel

I was going to comment. I had dinner there last week. It's beautiful.

Rich Dixon

They did a great job.

Carol Rasmussen

A few fine touches and they are done.

Rich Dixon

A lot more seats outside.

Carl Rasmussen

Thank you Rich. Any other questions?

Mike Metzger

Just Rich, could you confirm or clarify how we are able to do this now within the AL Tech Loan since it's been defederalized.

Rich Dixon

Because it's been defederalized Mike we don't need to follow those rules again. Anything that was an EDA purpose is an allowable – if we wanted to spend some money on infrastructure, just so it's an allowable EDA expense. So, we can vary from the plan we had adopted and that plan as of June 30th flipped over and became the plan for the CARES Act. That new \$10 million dollars we are operating under the same as the AL Tech but the AL Tech plan we have a lot more flexibility now since it's been defederalized.

Mike Metzger

Thank you. Are there any further questions for Carol? Hearing none, Rhonda if you could please move New Business B1.

Rhonda Johnson

Yes. Resolution 09-27-22-02 OF THE MEMBERS OF COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY TO APPROVE AN AL TECH LOAN TO MKJM, LLC D/B/A THE LANDMARK

Mike Metzger

Thank you. Do I have a second?

Kevin Muldowney

I'll second

Mike Metzger

Motion made my Rhonda, seconded by Kevin. Is there any further discussion? Roll call vote please.

Board

Aye – Unanimous. Let the record show seven votes carried in the affirmative. Motion carried unanimously.

Mike Metzger

Thank you Carol for your hard work on this one. Also we are going to have you address New Business C please.

Carol Rasmussen

Thank you. The resolution before you C1 is also an AL Tech request for \$218,900.00. A term of seven years at 4% interest. This was presented to the Loan Review Committee in September and they did recommend it. It's an AL Tech Revolving Loan Fund for Lexington Machining LLC. This loan is actually under an equipment loan for the \$218,900.00 for two airvac units. The reason why they are installing these two airvac units is to get the facility up for manufacturing. If your familiar with the building it's Lexington Machining on Winchester Road. It's been vacant for a long time, ten years. In 2014 they had leased it out and there was a lease that broke. Now, Bush has been in there for a few years. They are leasing 59% of the building. Bush is excited about them getting this ready for manufacturing. They are very happy there. They are on a month to month lease but right now they are very happy with their lease and they would like to eventually get on a permanent lease. This will help Bush plus any other leasee that will come forward because the building is not really ready for manufacturing. I should mention that the company Lexington Machining has put about \$1 million dollars in there so far. They are very serious about this. They put new lighting in, new roofing, new units and a couple of freight doors. They are very immanent on keeping this building and leasing it out at this point. It's a seven year term at 4% interest and it's an AL Tech Loan. It goes along with our equipment. They are very excited and they have put equity in here. You received a loan package so I will open it up for questions.

Rich Dixon

The property has some environmental issues. There's no active remediation going on, but there is a lot of active monitoring and reporting yearly, and that has scared away a few buyers from Lexington. Some people once they look at that they walk away. So I'm excited about Lexington investing money in here – taking what was basically warehouse space and now will be good manufacturing space even if Bush decides not to continue there. We hope they do but if they don't it will be available for somebody else. I think it's a good move for the County.

Jay Churchill

Do we have any liability with the environmental issues?

Milan Tyler

The short answer is no. We are not operating the property. We aren't taking a mortgage on it but since there is not lease back we are not in direct line of title. There should not be. Apparently if there is not ongoing remediation as I understand it, there is no active environmental problems. As long as we just take a mortgage we're fine.

Carol Rasmussen

It is under a site management plan right now. As Milan said we are taking a first lien mortgage position on the real-estate. That's free and clear – an assignment of rents and we also have a corporate guarantee of Lexington Machining LLC, a company in Rochester which is very profitable. Their financials were looked at and they are very well balanced to handle the loan. We are also asking for a waiver of personal guarantee and life insurance assignment because of the way the company is structured. It's a partnership and there is quite a few others there each having a little percentage.

Milan Tyler

As opposed to the AL Tech Loan, when we do a traditional PILOT and the IDA is in title, lease in and lease out, we do more environmental due diligence. We typically get a Phase I report, look at SEQRA etc. I don't want to say more careful

but there is more documentation when the IDA is actually in title as opposed to here where we are just making a loan just like a bank would.

Jay Churchill

I am somewhat familiar with it because we kind of walked away from it a few years ago when my son was looking for a larger facility. I think I might have been the one that said, I don't like the environmental, so I made him afraid, I think.

Rich Dixon

You were among a few others as well. I went as far as to have the DEC, and this is the first time they ever did this- they were on the phone with a potential buyer and even they said, this is not a bad site we are just monitoring it, but still it scares everybody away. We are happy they are going to invest and not just let it rot because they wouldn't have put that new roof on four or five years ago for the million dollars. The place would be like Vac Air in Frewsburg. We don't do that.

Mike Metzger

Ok. Any other questions of Carol? I will ask Brad if you could move New Business C1.

Brad Walters

Resolution 09-27-22-03 OF THE MEMBERS OF COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY TO APPROVE AN AL TECH LOAN TO LEXINGTON MACHINING LLC

Mike Metzger

Thank you. I have a motion. Do I have a second?

Dennis Rak

Second.

Mike Metzger

Motion made by Brad, seconded by Dennis. Any further discussion? Roll call vote.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes carried in the affirmative. Motion carried unanimously. Carol, you're doing half the meeting.

Carol Rasmussen

Okay. I know there's a lot more. Thank you Mr. Chairman. The resolution C1- there will be two resolutions. I will talk a little bit about the project and then Milan can explain it. There will be a deviation hearing in front of you and an approving authorizing resolution which authorizes the project and also the SEQRA. This is Omni Solar Portland LLC. Peter, the Project Operator, one of the Executives of Omni Solar LLC is not here today but he has spoken on this project. This is their third project in Chautauqua County. This one is located at 7820 Felton Street in the Town of Portland. Richard Lewis is the Supervisor of the Town of Portland. He is very much in favor of this. They have approved this project and they were lead agency and approved the SEQRA at a meeting two months ago. This is a five megawatt solar farm located at 7820 Felton Street in the Town of Portland. It's on 32.67 acres. The total project cost is \$5 million and

forth five including construction, site work, equipment and machinery. They have a strong equity investment at one million five hundred and thirteen. They have also obtained a private loan. They are coming to us to approve a tax PILOT for twenty- five years. There is going to be an estimated sales tax incentive of \$403,000, mortgage tax benefit of \$44,150, and a property tax savings of \$3,134,593. It's located in Westfield school district. They have twenty construction jobs immediately one part-time laborer throughout the life of the project. There is a host community benefit, local state taxes, and lease payments to a landowner. The cost benefit analysis is in your handout. Their timeline – they beginning December 2022 which is more likely early 2023. The Town was lead agency. The Town has also approved their decommission plan and the property will be restored to its original condition. We approved the due diligence resolution in April, held the public hearing May 17 and there were no negative comments from the public. The deviation hearing will take place today and the resolution to authorize the negative declaration. If there are no further questions, I will hand it over to Milan to explain the resolutions.

Milan Tyler

Mr. Chairman, the first thing is the deviation hearing. Notice of this meeting was sent to the County, Town and School on August 18th advising them of this meeting. As I understand it no written comments have been received. The post PILOT as Carol outlined is \$3800 per megawatt with 2% annual inflators thereafter for a twenty-five year term. That has sort of become standard for a lot of the solar projects that you are doing. We have not received any written comments so at this time I would ask if there are comments from the affected tax jurisdictions. Hearing none, I close the deviation hearing. The two resolutions before you are a deviation resolutions and as you just heard there have been no comments one way or another from any of the affected tax jurisdictions so the first would be for the approval to deviate from your UTEP, although again, for solar this comes close to very common. The second is the final approving resolution and as Carol mentioned, we've done due diligence, held a public hearing, and reached out to the town. Again the town was the lead agency and they issued a negative declaration so there is not separate SEQRA resolution but the final approving resolution references and acknowledges the town was lead agency and they took their actions. Those are the two resolutions. Again, this is from Omni and your probably familiar we have approved two or three others for them and the documents have been drafted and we hope to close in the next couple of months or so.

Carol Rasmussen

Thank you Milan.

Mike Metzger

Excellent. Thank you both Carol and Milan for your hard work and effort. Yes, we have had many Omni projects. Very much looking forward to this project. I would like to entertain the two resolutions as one motion. Steven, if you could please move New Business D2.

Steven Thorpe

Resolution 09-27-22-04 Deviation Approval Resolution and Resolution 09-27-22-05 Approving Resolution Omni Portland Solar, LLC

Mike Metzger

Thank you Steven. I have a motion. Do I have a second?

Jay Churchill

Second.

Mike Metzger

Thank you. I have a motion made by Steven and seconded by Jay. Any further discussion? Roll call vote please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. Let's go to New Business E presented by Mark and Rich.

Mark Geise

Thank you Mr. Chairman. I'll start out and Rich can fill in the blanks if need be. This resolution amends a prior approval that this Board made regarding 42 Lake Erie LLC in October 2021. This Board approved a loan for one million four hundred and twenty-nine thousand four hundred and fifty dollars and if you recall, we've talked about this several times, this is where the Hideaway Bay Restaurant used to be. We worked for years trying to find a developer for that. This group came in and proposed something that we were all excited about. As they were working through the project and really nailing down the cost they determined that the cost would increase by about \$250,000. They're putting in additional equity themselves and they are asking for the IDA and the bank to spit the difference. This is for high end glamping. It's also going to be a recreation resort on about 3 ½ acres of land. It's going to have ten waterfront cabins. We did review this with the loan committee and the loan committee recommended approval of this. We revisited some of the guarantees but at the end of the day the loan committee is recommending this for approval. Does anybody have any questions? Rich, would you like to add anything?

Rich Dixon

Great job. It ends up being \$63,000 and the banks putting in \$63,000 and then the owners were putting in another \$125,000 in equity. It's a good deal.

Milan Tyler

I would also point out that last year the IDA approved a PILOT, a straight lease transaction with them. That's been pending as well with all these cost increases and now this proposal. I think we are optimistic that if the Board approves this change that all of it can close at the same time.

Mark Geise

I should also add that the loan purpose is for real-estate acquisition and development. Now that they have received a 450 office of Community Renewal Grant as well.

Mike Metzger

Thank you for your work on the project, negotiating this and moving this forward. Are there any questions of Mark or Rich? Hearing none, Dennis if you could please move New Business E1.

Dennis Rak

Resolution 09-27-22-06 – AL Tech RLF Amending Resolution 42 Lake Erie, LLC

Mike Metzger

Thank you. I have a motion. Do I have a second?

Kevin Muldowney

Second.

Mike Metzger

Motion made my Dennis seconded by Kevin. Any further discussion? Roll call.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. No one can say that in our projects - we've got restaurants, solar arrays, hideaways, and another landmark coming up which I'll ask Mark and Rich to identify New Business F.

Mark Geise

Thank you Mr. Chairman. The White Inn. This has been a labor of love if you will. Four years in the making to get to this point. The White Inn sat vacant for four years. We worked very hard to find a developer. We found a local developer who is going to do the right thing. He is looking around a \$3.9 million dollar investment in the White Inn to bring it back to its former glory with a restaurant, hotel rooms and the ballroom. We are looking at here, and Milan will talk about it, a deviation hearing because the PILOT really will result in what they are currently paying in taxes will be what they pay in the PILOT. They will be requesting sales tax exemption and mortgage recording tax exemptions. This project has a really good cost benefit too, I might want to add. We do our cost benefit analysis and the cost of you will in other words the value of the incentives over ten years ends up being \$370,000. When you take into account all the benefits from job creation etc...it ends up being a 22 to 1 benefit to cost ratio. It's a really great project. I can't tell you how many people have called and talked to me about how excited they are to bring the White Inn back. It's right in downtown Fredonia. It is intricate to the college, recruitment and the downtown viability. This is a great project.

Rich Dixon

The only thing I will add Mr. Chairman is that Mark and Nate have worked effortlessly, for hours and hours, for years to try – how many developers they've gone through, doing RFP's for developers and I commend them. They stuck to it. We end up with a great local guy who has the wherewithal to make this happen. It's an exciting project. Congratulations. It was a lot of work.

Mark Geise

Nate has really worked hard on this and also Hanna Realty, Paula Blanchard and David from Hanna Realty. They worked really hard too.

Mike Metzger

Yes. Many thanks to Nate, Mark and everyone. This is transformational. It's extremely strategic in the Village of Fredonia. It was essential that this remain as a bed and breakfast and as a local establishment. We can't thank you enough for all your hard work and effort. Milan would you like to conduct a deviation hearing?

Milan Tyler

Yes. Happy too. I'll point out that we held a Transaction Committee Meeting because the developer is very anxious to move this project forward. So, we held that a couple of weeks ago and the Transaction Committee unanimously recommended to bring it to the Board. So, this is a little bit out of sync with what you used to which is a preliminary due diligence resolution and we do the due diligence and come back to you, but given the high profile nature of this project and the developers urgency to start it before it starts getting cold, we did it that way. All perfectly legal, but it's just sort of the way – a little out of sync with the way we typically do it. As Mark mentioned, the PILOT is going to be for ten years – fixed set amount - \$16,015- notice was sent to all the affected tax jurisdictions on September 15th and my understanding is that we have not received any written comments so at this point I would like to open the deviation hearing and ask if any

members of the affected tax jurisdictions have any comments, one way or the other, on the proposed deviation. Hearing none we will close the deviation hearing. Since this is interior renovation it's considered a Type 2 action or SEQRA, therefore the approving resolution makes reference to that but there is no separate SEQRA resolution as you often find. I will note that since this is a hotel it is not quite clear honestly whether or not this is retail sales. Remember there are restrictions on IDA's doing retail sales. The resolution finds that it's not a retail sale but even if it is this is clearly a tourism destination. It is expected that a significant number of guests will come from outside of the economic development area and the resolution concludes that as well. As Mark said, we are contemplating an exemption of real property taxes having a value of \$166,230, mortgage recording tax in a maximum amount of \$40,000, exemption from sales and use tax in the maximum amount of \$180,000. Again, we've held the public hearing – no comments were received and I think this is ready for final approval.

Rich Dixon

I would just add Milan that Mark has spent a lot of time talking to the Village and the elected officials about this. They are extremely excited about the fact that we could get this done for them.

Mike Metzger

Excellent work. Any questions of Milan, Mark or Rich? Nate would you like to comment on this project since you were instrumental.

Nate Aldrich

Long time in the making. We are extremely excited. Still looking to support Steve and Devon with some additional grants going forward. Confident that it's going to be a success story.

Mike Metzger

Excellent. Thank you. I would like move as entertaining these as one motion for the two resolutions. I will ask Kevin if you could please move F2.

Kevin Muldowney

Deviation Resolution -09-27-22-07 & Final Authorizing Resolution 09-27-22-08 – D & S White Inn, LLC

Mike Metzger

Thank you. We have a motion. Do we have a second?

Dennis Rak

Second.

Mike Metzger

Motion made by Kevin and seconded by Dennis. Any further discussion? Roll call please.

Board

Aye – All Board Members other than Brad Walters

Abstention

Brad Walters

Mike Metzger

Let the record show six votes in the affirmative. One abstention motion carried. Let's move to New Business G please.

Rich Dixon

We have another solar project by Scinta Solar LLC. We have Adam Rowles with us here who is going to talk about the project so I will be brief. This is a 5 megawatt AC on 26 acres in the Town of Stockton. The Town of Stockton performed a SEQRA. We were not listed as an involved agency so we won't end up doing our own. It's a 25 year PILOT – it's been talked about and what we have in front of us here is a due diligence resolution, but before we get to the resolution I would like to have Adam say a few words about the project and if you could talk about any mitigation that was done for aesthetics and any decommissioning bonds or things that the Town required that would be helpful. Adam it's all yours.

Adam Rowles

Good morning everybody. I am Adam Rowles. I am a Project Developer for Saturn Power, Project Developer for Scinta Solar LLC. I will prewise this presentation, in the interest of time, I believe I am on the agenda to discuss Schofield Solar LLC another project we are proposing in the Town of Pomfret. I actually created my presentation sort of centered on both projects.

Rich Dixon

That's fine Adam.

Adam Rowles

Reviewed and discussed PowerPoint Presentation. Slides included, Outline, About Saturn Power, Scinta Solar Project Summary, Interconnection Details, Permitting Status, Schofield Solar Project Summary, Interconnection Details, Next Steps, and Landscaping Plan for Scinta Solar and Schofield Solar. That concludes my presentation. I'll take any questions.

Mike Metzger

Adam we appreciate you taking your projects to Chautauqua County. How do you find your business in Chautauqua County?

Adam Rowles

The fact that I can show up to meetings and people take my business seriously and the laws in Chautauqua County with most of these municipalities are reasonable. I think doing business in Chautauqua County is straightforward. That is probably the best compliment a solar developer can give at the moment. There is definitely Counties that I'm doing business in that are making it a lot harder and the municipalities that we're pushing logical project forward aren't really responding logically to them. So I'd say doing business in Chautauqua County is probably one of the best counties to do business in New York State at the moment for solar.

Mike Metzger

Thank you. We hope that you have many more projects in Chautauqua County.

Adam Rowles

I would love to develop more projects in Chautauqua County provided that there's the capacity to be able to host more.

Rich Dixon

To that point Mike, National Grid had held a meeting here yesterday in this very board room and had a lot of the local officials from the towns to talk about that very thing. We are coming up quickly to the constraint areas on the grid. So even with improvements that they're planning to make the end will come soon for the amount of solar that we will be able to, or wind, to interconnect particularly to the 115 lines. Now the huge Ripley project connects to the larger line that runs along the thruway and it's not only Chautauqua County that's affected by this but Catt. County. We're all like in the same area, so the end is coming for these. I'm glad that we can get them in and as you said Adam, the towns- it's a wind for the landowners, it's a win for the taxing jurisdictions and so I think the towns have taken it very seriously. They realize what it means to the people in the their town

Adam Rowles

So at the end of the day it's all about the relationship building with these towns. A lot of the project like the Scinta project in the town of Stockton. We were one of the first solar developers to sort of grace the town with the project. A lot of the work wasn't really proving the project was logical is more or less educating them on what we're bringing to town and the benefits that they can reap from hosting one.

Rich Dixon

Thank you.

Mike Metzger

Any questions of Adam?

Rich Dixon

Milan, do you want to talk about the resolution?

Milan Tyler

Happy two. There are two resolutions, one for each project. They are again due diligence resolution, authorizing and instructing staff and council to start the due diligence process. So as was mentioned, the town had done their own SEQRA but the IDA was not listed as an involved agency so we'll have to do our own SEQRA analysis taking a hard look at the environmental impacts. I have no reason to think we're going to come to a different conclusion but the law requires us to do that on our own. We would hold a public hearing and negotiate a PILOT and raise any other issues that the Board or staff has with the developer. If all goes well we will come back to the Board for the final, probably a deviation hearing and final approval and see the SEQRA resolution in a month or two.

Mike Metzger

Any other questions of Adam or Milan? Jay, if you could move New Business GA.

Jay Churchill

Resolution 09-27-22-09 Due Diligence Resolution and Agreement – Scinta Solar, LLC

Mike Metzger

Thank you. Do I have a second?

Steven Thorpe

Second.

Mike Metzger

Motion made by Jay seconded by Steven. Any further discussion? Roll call vote please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. Rhonda if you could please move New Business HA.

Rhonda Johnson

Resolution 09-27-22-10 Due Diligence Resolution and Agreement – Schofield Solar, LLC

Mike Metzger

Thank you. Do I have a second?

Jay Churchill

Second.

Mike Metzger

Motion made by Rhonda and seconded by Jay. Any further discussion? Roll call vote please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. Thank you Adam for everything you've done for Chautauqua County. We wish you well in your future projects.

Adam Rowles

Thank you Mr. Chairman and thank you everyone for having me.

Mike Metzger

Now, I would like to go to Rosie and Milan for New Business I please.

Rosie Strandburg

Thank you Mr. Chairman. Back in June we had a transaction committee approving the due diligence resolution and agreement for Maesteg LLC dba the Barn at Farrington Hollow. We also had the public hearing and at the Board meeting the Board approved a final approving resolution for Maesteg LLC dba the Barn at Farrington Hollow. Just to remind you that was a PILOT for the construction of a 4,000 square ft. barn and a 2,000 sq. pavilion which would accommodate weddings and other events in Cherry Creek. Maesteg is located at 7495 Farrington Hollow Road in Cherry Creek New York. In addition to the Barn at Farrington Hollow they have the cabins at Farrington Hollow, the Farrington Hollow farm and market and now they have the Inn at Farrington Hollow. They are coming back to the Board today for an amendment to the original application to include the Inn. Milan looked at it and we did the savings and the original savings to the new savings did not increase by \$100,000 so we were not required to hold a second public hearing. So this PILOT would cover

property tax, sales tax abatement, and they are also now requesting a mortgage recording tax abatement which they do understand that that particular benefit needs to be used within 12 months should they request it. This is a fifteen year PILOT not a deviation as an assistance tourism PILOT. Construction began in the spring of 2022 with a barn and now the Inn and everything is expected to be completed in the spring of 2024. Again, the addition of the Inn is so that they can renovate the Inn. The Inn would serve as accommodations for outside visitors, but its main purposes serve the barn so that if there is wedding parties that need to get ready or stay that's where they would be located in addition to any cabins they rent on the property. Are there any questions before I pass this on to Milan? Milan, if you don't mind I'll have you discuss the resolution that's being presented to the Board.

Milan Tyler

This is amending the prior resolution to both add the Inn to the project description and increase the financial assistance, the amounts are in your resolution, but as Rosie said under \$100,000. Therefore we do not need a new public hearing. Since this is interior renovation of the Inn it's a Type 2 action under SEQRA so no separate resolution is required for that. As you will recall, same discussion as earlier, this is an Inn which may or may not be retail sales, the law is not exactly clear. When we approved this originally we approved it under the exception for retail sales. It applies as goods to services not readily available in the community and that requires the County Executive to approve that. So this resolution will also be subject to the subsequent rule of the County Executive to amend the project, description, and other than that it's an approving resolution and I think they are ready to go. The documents have been drafted and if things go well today, I think that we would close very shortly.

Rosie Strandburg

Just too quickly touch on the original project costs - were slated at \$589,000 – new total project costs with the consideration of the Inn is now \$765,000 and as Milan discussed the project savings was originally \$209,741 a total increase of \$45,278 to a total PILOT savings of \$255, 019

Mike Metzger

Thank you. Any questions of Rosie or Milan? If I could please ask Brad to move New Business II.

Brad Walters

Resolution 09-27-22-11 –Maesteg, LLC dba The Barn at Farrington Hollow

Mike Metzger

Thank you. I have a motion by Brad. Do I have a second?

Steven Thorpe

Second.

Mike Metzger

Seconded by Steven. Any further discussion? Roll call please.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. Now, Mark and Milan New Business J please.

Mark Geise

Thank you Mr. Chairman. This resolution is a consent resolution which will allow the IDA to enter into a contract with ECC Technologies Inc., which is a Rochester based company that specializes in broadband and broadband consulting. If you recall the IDA approved the acceptance of funding through the ARPA monies from the County to manage this project. I'm going to go back – the County received \$24.6 million dollars in ARPA funding. Under the County Executive's direction we identified 43 priority projects, the legislature approved those projects. One of those projects was Two and a half million dollars for the expansion of broadband to unserved and underserved communities. We recognized internally we really didn't have the skill set. The idea of not being able to not only roll out a process whereby we get the most bang for the buck, but also leverage that two and a half million dollars so we developed and RFP, put it out and we got four responses. We had a committee that reviewed those and the County Executive was part of that as well. We unanimously approved ECC Technologies. So this resolution allows the IDA to enter into a contract with ECC Technologies for an amount not to exceed \$110,000. Sixty thousand dollars would be for non-grant writing work and the other not to exceed fifty thousand dollars for grant writing. So, its \$110,000 total contract with ECC.

Milan Tyler

I guess I would add to that the costs of this have been up fronted by the ARPA money so there is not out of pocket to the agency. Since this is planning it is a Type 2 action under SEQRA and your resolution includes that and it is also finding in the resolution that this part of your mission and purpose. Economic development in the County is very dependent on available widespread broadband services. So, it is part of what the IDA does and should be doing.

Mike Metzger

Thank you. Any questions of Mark or Milan? Hearing none I will ask Steven if you could please move New Business J1.

Steven Thorpe

Resolution 09-27-22-12 Broadband Consent Resolution

Mike Metzger

Thank you. I have a motion. Do I have a second?

Dennis Rak

Second.

Mike Metzger

Motion made by Steven and seconded by Dennis. Any further discussion? Roll call.

Board

Aye – Unanimous.

Mike Metzger

Let the record show seven votes in the affirmative. Motion carried unanimously. Thank you. Acknowledgement of Fiduciary by CCIDA Board Members.

Mark Geise

I'll take this and let Milan add anything if he would like. Annually the Board is required to sign this acknowledgment of fiduciary duties and responsibilities form. Mark read directly from the form. Each of the Board Members needs to sign

one of these. I believe we have hard copies here and in Dunkirk for everyone to sign, so if you could please do that we would appreciate it.

Milan Tyler

This is pretty straight forward. This is different than the financial disclosure. This is just acknowledging you have a fiduciary duty to the Board and therefore to the taxpayers of the County.

Rich Dixon

Jeanette has everybody's signed. For next year though we will just explain.

Brad Walters

Do we have fiduciary insurance? Every other Board I've sat on has fiduciary responsibility carries a policy.

Milan Tyler

Director's and Officer's insurance?

Rich Dixon

We have D & O, yes.

Brad Walters

I don't think it's the same as fiduciary though.

Rich Dixon

I'll check it out Brad. That's a new one to me.

Mark Geise

That's all. Just a statement.

Rich Dixon

I'll send an email to everybody.

Mike Metzger

Thank you Rich. Any other questions? Let's move to the Executive Director's report. Mark please.

Mark Geise

Yes. Mr. Chairman. We had some not so great news because two of our members who have been talking about this for quite some time are resigning their positions. One is Hans Auer and one is Dennis Rak. Hans Auer's resignation he wanted it to become effective as of August 30th. So he really hasn't been involved in signing checks, etc... since then. Whereas Dennis's take effect October 1st. We do actually have a replacement for Dennis because we had gotten his letter prior with kind of a two months out would serve. Her name is Sagan Sheffield Smith and she is hopefully going to be approved by the legislature at tomorrow night's legislature meeting. We will accept Dennis's resignation I'm thinking at the next meeting and approve her on the Board. Meanwhile we are looking for a replacement for Hans and we have some ideas. We are excited about that as well. Mark read Han's resignation letters. Do we need to make a motion to approve his resignation?

Milan Tyler

I don't think we need a resolution. He stays on until his replacement is here but obviously he has sort of stepped away from everything with the Board. The same thing will be true with Dennis. His resignation becomes effective when his successor is appointed and confirmed.

Mark Geise

So, do we want to wait until the next meeting with Dennis? Dennis are you going to be on or would you like us to do that right now?

Dennis Rak

One of the problems is that I start to travel in October and November. I'm gone a big chunk of that timeframe. So, we might have to do it now.

Mark Geise

Ok. Fair enough. Dennis when did you start serving on the IDA Board?

Dennis Rak

Dennis listed who he had worked with on the Board when he first started.

Mark Geise

Over twenty years and it's been great. Mark read Dennis's letter.

Dennis Rak

I did all of Han's comments. I mean it has been gratifying and I certainly achieve many of the things that this Board has done that have positively affected the community. Reviewed his commitments. I've been doing this for twenty years so I have decided to let go for now.

Mike Metzger

I can't thank them enough for their hard work and effort work on the Board over many years to ensure that this counties economic development continues to move forward. I hope that we can recognize them properly and give them the proper recognition they both deserve. Can't thank them enough for their steadfast and standing through to their economic principles and making sure that we move forward. You will be sorely missed.

Mark Geise

I have a couple of other things really quick. On the CCPEG front I wanted to let the Board know that we are working on a program/ project and it has to do with trail partner collaboration. There are a lot of different trail groups out there that have been doing their own thing for many years. We did a Greenway plan a number of years ago and one of the recommendations is how we get everyone working together so we can leverage our collective voice, raise funding and work collaboratively to do the things that need to be done. As we were thinking about what does that organization look like we sought and secured a \$25,000 grant from the Sheldon Foundation to do a study of what make the most sense. So we hired Camoin Associates, they've done a bunch of other work for us and done work throughout the country. Their great. Our ultimate goal is to establish Chautauqua County as a mecca for outdoor recreation and active living. We have all the components and assets – how do we do that and how do we tell our story? Trying to attract talent, trying to bring more visitors here. I just wanted this Board to know that Camoin is considering that being under the umbrella of the CCPEG. It's looking like that may happen. The Friends of the Greenways would be an organization that supports these trail groups seeking funding and helping manage that funding. So, I'm giving you a heads up that it's more likely than not that that they recommend that it be housed under the partnership. I wanted to bring that to your attention. More to come.

What we are finding out is that the solar farms are sort of being queued up and then sold. We believe that that's going to be the trend. We have three projects that have changed ownership and we don't really need any action as I understand it, I just want to bring it to your attention. Mark reviewed Hanover PV LLC, Rak 1 and Rak 2 Solar. Just wanted to bring that to your attention and we will continue to inform you as these things happen. Do you want to add anything to that Milan?

Milan Tyler

In each of these the project applicant entity was the same. So the entity that you approve to do these deals is the same. What we are finding a lot of these solar developers do is they will sell upstream. Either the owner of the entity or the owner of the owner of the entity etc. So in each case we have them submit a letter or an amendment to the application just so we have the application as amended is complete. Staff does do some due diligence. We ask for either financials or some information about who the new owner is. We don't bring it back to the Board because the project is still the same. The project applicant is still the same. One thing in the application that you had previously seen is, I think it's at the bottom of the first page where it says, ownership of the entity that may change it doesn't change the deal. So, it's an administrative matter to change the documents and to revise the application. We just want you to know that this happens from time to time and I think it's going to be happening more and more as these solar developments get their financing and some of their financing is debt, some is equity. So they often restructure the ownership to fit that.

Rich Dixon

This started way back in the early days of wind with Babcock and Brown. They would call it the Babcock and Brown flop. They would get everything ready to go and they would sell it to somebody who could use the tax credits. With the Inflation Reduction Act passed there's a lot more credits here for wind. So, I think as you as you say Milan, we'll see even more of this because the LLC can't really use all the tax credits that are going to be coming. You're going to be flipping it to big banks, big funds, and big equity groups so they are pretty well healed and they can take advantage of the credit. We are going to see a lot more of that. It's just the nature of the business today. That's the way it's going to roll.

Carol Rasmussen

I've let Milan know that Omni Solar LLC, all three of their projects – they are partnering with a new investor and there is a letter coming, pending.

Milan Tyler

Consistent with everything that we have seen.

Jay Churchill

Are the new owners based in the United States?

Carol Rasmussen

Not on Omni.

Rich Dixon

They are all probably international companies but I'm assuming they are all based in the United States, like Goldman Sacs.

Mark Geise

The other one is CVE North America.

Jay Churchill

So, it doesn't matter to us really.

Rich Dixon

No. I wouldn't think.

Milan Tyler

As long as the entity is subject to service a process in New York. So the actual entity that we contract with is still either a New York entity or authorized to do business in New York. So you know its owners can be all over the place. We care a little bit because we want to know who we are doing business with if it's not publically traded, but whether or not that entity is domiciled in the US is I think a little less importance.

Rich Dixon

But to take advantage of the credits it has to be an American entity.

Brad Walters

Do any of the conditions or promises that the original owner made – does it carry on with the new guy?

Milan Tyler

Yes. Exactly. Nothing changes in our documents other than there is a rep that says this entity will be owned by X, but the development, the employment, the financial assistance, everything is exactly the same because again your entity remains the same. It's only the upstream ownership that might change and sort of like, if they got a bank involved as opposed to these tax credits. So, really it's just different ways to finance the exact same project. The answer to your question is that everything remains the same in terms of their obligations to us.

Mike Metzger

Thank you. Any other discussion?

Mark Geise

No. I don't think so.

Mike Metzger

Thank you. I would like to move to the Treasurer's Report. Rich please.

Rich Dixon

Thank you. Rich reviewed and discussed the Treasurer's Report. So, unless there's any questions, Mike that's all I have. I think we are in good shape.

Mike Metzger

Excellent report Rich. You've already exceeded our revenue projections by about fifty percent so we have made our year and we don't have to worry about sitting around waiting for December 31st waiting for those to come in.

Rich Dixon

Fortunately those things are gone Mike. That was no fun and we did that for a long time.

Mike Metzger

Any other questions of Rich? Excellent report.

At this time 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, and to discuss matters relating to the proposed acquisition, sale or lease of real property. In particular, I would like to discuss the status of our loan portfolio and the financial and credit status of some of our borrowers. Also, we will discuss certain possible property acquisitions and dispositions and I believe that discussing them in open session would substantially affect their value. Do I have a motion?

Dennis Rak

Motion.

Kevin Muldowney

Second.

Executive Session

Start Time: 11:34 a.m.

Executive Session

End Time: 11:48 a.m.

Mike Metzger

We are now in open session. Do I have a motion to accept the Treasurer's Report?

Dennis Rak

Motion.

Kevin Muldowney

Second.

Mike Metzger

Motion made by Dennis, seconded by Kevin. Any further questions? All those in favor?

Board

Aye – Unanimous.

Mike Metzger

Opposed? Abstained? Motion carried unanimously. Greg Peterson would you like to reiterate the statement you had made earlier for open session.

Greg Peterson

We had an opportunity to just talk about the significance of the AL Tech Fund, the size of the AL Tech Fund, the significance of the CARES Act and the size of that. The significance of the CRLF Fund which we have here in Chautauqua County Industrial Development Agency which was really created through some real novel approaches and recognition by third parties of the efficacy of the IDA and administering funds. So, now we're looking at something \$24-

\$25 million dollars of a portfolio related to those funds which we have under our control and our ownership and it's a remarkable statement for an economic development organization of this size to have that. It's a real tip of the hat to those that have been around for a long time but also the continued administration of those who have sought through and enhanced that portfolio fund. It's a remarkable statement. Just one person's observation but I liked it for the record.

Mike Metzger

Thank you Greg. It's a true observation and you were here from its infancy so we can't thank you enough for your excellent leadership and excellent counsel. Also, I have to add that we did not take any action in Executive Session. Is there any other business to come before this Board? Hearing none our next meeting will be on October 25, 2022 at 10:00 a.m. It will be at both locations. Again, I can't thank the staff enough for all their hard work and effort, and the Board for their continued hard work, effort and support. Thank you all. Have a great day.

The meeting is adjourned. This meeting is adjourned at 11:58 a.m.

(Assistant) Secretary

(Vice) Chairman