

BOARD OF DIRECTORS MEETING

County of Chautauqua Industrial Development Agency

**BWB Building**

**BWB Building  
201 West Third Street, Jamestown, NY  
2<sup>nd</sup> Floor Board Room  
&**

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

October 24, 2023  
10:01 a.m.

PRESENT:

Gary Henry	Chairman
Brad Walters	Vice Chairman
Sagan Sheffield-Smith	Treasurer
Dan Heitzenrater	Secretary
Steven Thorpe	Member
Kevin Muldowney	Member
Daniel DeMarte	Member

Also in attendance:

Mark Geise	Administrative Director/CEO
Richard E. Dixon	Chief Financial Officer
Milan K. Tyler, Esq.	Counsel
Greg Peterson	Counsel
Rosie Strandburg	IDA Staff
Kristine Morabito	IDA Staff
Carol Rasmussen	IDA Staff
Kayla Strandburg	IDA Staff
Nate Aldrich	IDA Staff
Jeanette Lo Bello	IDA Staff
Crystal Erhard	IDA Staff
Jason Sample	IDA Staff
Paul Wendel	County Executive
Jonathan Epstein	The Buffalo News
Greg Bacon	Jamestown Post Journal
Julia Ciesla-Hanley	WRFA 107.9
Allen Handelman,	Park Grove Realty
Ashley Switzer	STEL Project Manager

Absent Board Member(s):

---

Meeting was called to order by Gary Henry, Chairman, at 10:00 a.m.

---

Gary Henry

Good Morning. I would like to welcome everybody to the Chautauqua County Industrial Development Agency Board of Directors Meeting. We are at the BWB Building, 201 West Third Street in Jamestown NY. We are also streaming live on YouTube and Zoom. It's October 24, 2023 at 10:00 in the morning. We will start with a roll call attendance.

Board

Aye – Unanimous. (7 Members Present)

Gary Henry

Next, we will move into the approval of our minutes. You should have already received these from September 26, 2023 and had a chance to review them. Do we have a motion to accept those minutes?

Gary Henry

The board members should have already received the minutes of the August 22, 2023 meeting and had a chance to review them. Do we have a motion?

Sagan Sheffield-Smith

So moved.

Gary Henry

Thank you Sagan. Do we have a second?

Brad Walters

Second.

Gary Henry

All in favor say Aye.

Board

Aye – Unanimous.

Gary Henry

Opposed? The minutes have been approved. New Business A – we have to do an appointment of an ethics officer so pursuant to the Code of Ethics and Conflict of Interest Policy that the CCIDA, CREDC & CRC approved at the last month's meeting an ethics officer must be appointed for purposes of administrating and managing this policy. This item was inadvertently overlooked last month and for purposes of appointing an ethics officer pursuant to the Code of Ethics and Conflict of Interest Policy I am seeking a motion and a second to resolve to appoint the CCIDA, CREDC & CRC Chief Executive Officer ex officio as the Ethics Officer. So, what we are looking to do is just appoint Mark so that he will be the Ethics Officer. We meant to do that when we put the policy in and we forgot. So, we want to take care of that and get that cleaned up this month. Do we have a motion to approve Mark?

Kevin Muldowney

So moved.

Gary Henry

Thank you Kevin. Do we have a second?

Daniel DeMarte

Second.

Gary Henry

Thank you. We will go ahead and do roll call.

Board

Aye – Unanimous.

Gary Henry

It's unanimously approved. We will move into New Business B – Silver Creek Apartments, LLC presented by Mark, Kristine and Milan.

Mark Geise

So, I am just going to say a few comments high level here and then kick it over to Kristine and Milan who will talk about it. As we all know the Silver Creek School in Silver Creek has been abandon and vacant for what forty years I want to say. There has been several attempts over the years renovate and do something with it. The County foreclosed on it years ago, somebody bought it and it didn't work out. STEL had applied for HCR credits ten plus years ago. They weren't successful and then Region 9 was the most recent company that tried to make a go of it that tried renovate it and that didn't work out. There is a million dollar Restore NY Grant that went to the Village for that project which is still active. STEL picked up the ball again – I want to say six or eight months ago after Region 9 pulled out and they are teaming with Park Grove Realty from Rochester and PEOPLE Inc. –I won't talk about that – Now they're looking at a project that involves demoing the Silver Creek School and building a new facility. I couldn't be more thrilled about it. If we can make this work it would be such a great thing for the community, the County, for everybody in the IDA we'll support you on this project all the way. In know the Legislature is excited about it as well. With that I will kick it over to Kristine.

Kristine Morabito

Thank you Mark. That was an excellent introduction. We do have Allen Handelman, Vice President of Pine Grover Realty and Ashley Switzer, who is the Project Manager and HR Associate with STEL, with us today as guests to present the project. If we could pass these around – they have a couple of handouts – some elevations and site plans. Just some high level today. You are being presented with a Due Diligence Resolution and as we all know it is not an approval, it's not binding - the Resolution would just authorize (difficulty with audio) of reviewing the application, the information, conducting things like a public hearing, deviation hearing, a SEQRA review and all the usual due diligence required as we contemplate approving (difficulty with audio) at a later meeting. I would like to introduce Allen who will provide you with an overview of the project plans.

Allen Handelman

What's coming around is a site plan and a front elevation of the building as it fronts on Main Street. As background, I typically wake up in Rochester New York. I had the pleasure of waking up in Jamestown today. I appreciate you arranging the weather. I work for Park Grove. It's a real-estate development company. Its core business is affordable housing. We do work across New York State. We are working on a project in Hamburg New York and partner with STEL on that. In the course of discussions with them about other potential projects they were quick to bring up this

project and it was very attractive. We've done our due diligence in evaluating the market and making sure that there is sufficient market demand and the plan would be to demo the existing school building. We've been through it and others have been through it. It's past its life cycle and then beyond. The concept that STEL initially put forward most recently in Region 9 is a senior housing development. So, we are following through with that. What's contemplating right now is approximately 54 units of apartment's predominately one bedroom. I think its 51 one bedroom and three two bedroom units. This will be all new construction. There would be a variety of different incomes that would qualify but it would be all characterized as affordable. Within the building there would be a community room, fitness room, laundry facilities and an onsite property management office. We anticipate functionally a full-time property manager there as well as a full-time maintenance person. Part of some of the groundwork that was established by Region 9 is working with PEOPLE Inc. which is a human service provider as well as they are active in affordable housing and they received a grant for 15 units. It's characterized, set aside for frail elderly. They provide on-site services to assist the people in those units in terms of healthcare, making connections with the community and just general assistance and helping that population live independently. If you're familiar with the location, I imagine many of you are, it sits on Main Street just as your entering Silver Creek. It really does send the wrong impression of what Silver Creek is and certainly what it could be and I think that this goes a long way towards both providing affordable housing for members of the community but also sending a message for the people that live there and people that visit there that this is a community that growing and in line to see better days. We are applying for funding from New York State HCR which some of you are probably familiar with. It's a very very competitive requests for proposals. They seek proposals from across NYS. There is a variety of different scoring matric and matrices and what are goal as applicant and partner is to try and get the project discourse as high as possible so that it is in fact. A key element in that is some of the benefits that the IDA has the ability to provide both in terms of sales tax relief, mortgage tax relief making our development budget competitive and viable but certainly a PILOT. So, we are judged in comparison to other projects across the state. So a competitive PILOT is critical in terms of scoring and being competitive with other projects our application is due November 7<sup>th</sup>. So, we have kind of a tight time frame. We've been working diligently with STEL over the last two or three months doing our own due diligence which largely was confirmation of the HCR scoring and thresholds. So, we are really compressing what would arguably be four or five months' worth of work into two months. I think that Ashley has done a tremendous job, Kristine has been very helpful in guiding me through your process and one of the things a threshold – we need to provide HCR –we don't need the approval of the PILOT but we need an indication that we have submitted an application, that it's been reviewed and viewed favorably and an indicator of what the proposed PILOT terms are going to be. Hopefully the Board will view this project favorably that we could work with your attorney to craft a letter that is comfortable within your guidelines and meets our needs. We met yesterday with the Silver Creek Planning Board and they functionally provided an approval for the project and we have worked closely with the mayor there. We had a meeting a couple of weeks ago with IDA staff and we are excited about the project. It's not without challenges but it would be a great opportunity for Silver Creek, the County and for us as developers. Happy to answer any questions. I know it's not a matter of whether I leave anything out it's what I've left out.

#### Kristine Morabito

We're familiar with this project because we worked with Region 9 just recently in the last two years. So, unfortunately it did not move forward at that time but fortunately STEL and Park Grove are moving forward and really happy to be working with you again and to meet you Allen and to be working with you. They've been absolutely top notch over the past month pulling the information together so I am very pleased with how everything has been progressing. I think it looks like a great project and just living in the Town of Hanover and near the Village of Silver Creek- Allen mentioned the location of the project and as you mentioned it is right on the main corridor-very highly viable in the community. It could be a big transformation for the Village of Silver Creek. I've had many conversations with the Village Mayor and conversations with the Town Supervisor and there is a lot of excitement around this potential development.

#### Rich Dixon

Allen, in a perfect world when would you break ground and when would the first tenant move in?

#### Allen Handelman

Our application is due November 7<sup>th</sup>. Typically they make their announcements about three months afterwards. I would say maybe fall of 2024 and looking for a construction period of sixteen to eighteen months. That would put us at the beginning of 2026. I believe I've done my math right.

Rich Dixon

Ok. Thank you.

Allen Handelman

I know one of the things I did forget to bring up in terms of architectural style we felt it was important for a variety of different reasons to come up with a design that's reflective in style of the school. The architect did a very good job of doing that. One of the concerns was working with SHIPO which is the State Historic Preservation Office about concerns that they might have in terms of demolishing what potentially architecturally significant building. Actually, we got some positive news from SHIPO where they in fact recognized that there is not hope to preserve the building but they were concerned about maintaining some continuity of history- both in terms of oral history-keeping some of the architectural details perhaps-it was a very collaborative letter and we are very pleased about that.

Milan Tyler

Allen, I will note that the prior proposed development, they had a tough time and I think SHIPO was one of the reasons why it didn't go forward because they were sort of insisting that some, most or all of the facade be kept. I'm glad to hear that SHIPO now seems to realize what everyone else has realized for decades which it is's just not going to happen.

Allen Handelman

It's not going to happen.

Daniel DeMarte

Can I ask a question? The seventy parking spaces go with this building?

Allen Handelman

Yes.

Daniel DeMarte

That's more than the number of residents you have at the building?

Allen Handelman

Yes. It's approximately seventy. As with anything we haven't finalized exactly but it would be up to seventy units. We may have a little bit less. I don't think we are going to (difficulty with audio) seventy. In similar situations we've land banked parking spots so that if a need did arise.

Daniel DeMarte

Is that based on the assumption that every resident has a vehicle?

Allen Handelman

It's sort of driven by zoning and that's an assumption in this particular population. We don't anticipate every resident having a vehicle. That is one of the benefits of its location. It is walking distance to goods and services and there is a sidewalk network etc...to the extent that fifteen of the units are there for failed elderly and a percentage of those will not be vehicle owners.

Gary Henry

Do we have any other questions?

Milan Tyler

Let me describe the Resolution before you. The standard Due Diligence Resolution-this is the first step in the process. It authorizes and instructs staff and counsel (difficulty with audio) and start performing the various due diligence steps that you are used to seeing including a SEQRA analysis. We talked about SHIPO so the SEQRA analysis here may be a little bit more complicated than normal but nothing that should concern anyone. Of course we will do all that before coming back to the Board for final approval. There will obviously be a public hearing. As Allen mentioned there well may be a deviation from your UTEP because Allen we need to be fairly aggressive on a PILOT so we will work on figuring out what that is and scheduling the PILOT deviation where it comes back to you. Of course working with Allen and his counsel to put together the financing structure given that there are so many layers of financing that may make the IDA documents a little more complicated but all of that is pursuant to the Due Diligence. We would do the support letter –we are used to doing that but obviously the state wants to know that the local sources, possibly including the County are supportive and in fact that they are contributing. When the state puts money in they like to see that the locals are putting money in as well. So, we will work with your attorney to craft a description of what the requested financial assistance is. Obviously we can't commit to it at this point. One other comment on the Due Diligence Resolution that's before you- in the third whereas clause a description of the project has consisting of 51 one bedroom units and three two bedroom units. Based on what Allen is saying I think what I would like to do is propose adding the word approximately. So, it's approximately 51 and three because it sounds like that may be shift a little bit. If it is approved by the Board the final resolution that gets certified, I will work with Jeanette and add the word approximately. Other than that it's the standard Due Diligence Resolution that you are used to seeing.

Gary Henry

Thank you. Brad would you go ahead and move New Business B2 for us?

Brad Walters

Resolution 10-24-23-01 Due Diligence Resolution Silver Creek Apartments, LLC

Gary Henry

Do we have a second?

Sagan Sheffield Smith

I'll second.

Gary Henry

Thank you Sagan. Roll call vote.

Board

Aye – Unanimous.

Gary Henry

Unanimously approved. I would like to take a moment and thank the staff and everybody who is working on this- certainly Kristine did a lot. Some of these projects have been going on a long time and we have gone through these multiple times trying to get it across the finish line. It's just as much work to keep doing it and you never know if it's going to work or not but if we are diligent and we stay on it eventually we will be able to get this moving forward and it will certainly be a big benefit to the County and the Village of Silver Creek. Thank you.

Allen Handelman

Thanks.

Gary Henry

Did you have a report?

Mark Geise

Yeah, a couple of things really quick. I wanted the Board to know that we are working with all the ABO recommendations. We've got most of them addressed. There are a couple of things that we are still working on that are a little longer term-like the website. We're working with Clevermethod. Jason Sample, our new Marketing Coordinator is taking the lead on that and is really doing a great job. We've got it all mapped out and we are really making great progress on that. A couple of other things-the Management Agreement with CREDC and CRC and a couple of other things. For the most part I just want you to know that we're banging those out and making great progress. Talent attraction and retention campaign-we've been working on that for quite some time now with the Partnership for Economic Growth-our core group has a good representation from the Chamber and CCVB and others. We are making great progress there with branding a whole campaign and how we roll that out. So, good progress there. A couple of other things. I wanted to sort of get the feeling of the Board and how they would feel maybe the meetings next year being moved-on the same day but at 11:30 a.m. and maybe we have lunch as well at those meetings. I don't know how you feel about that but I think we can talk about that next month and really think about that. Maybe it's a better time maybe it's not a better time for the Board Members. I know that a lot of other IDA's do that and other Boards that meet. So, think about that-11:30 a.m. Next month we will be appointing Amy Harding to the Board. I am not going to go into a lot of depth about that right now because when I introduce her I will do a whole thing. She is a Jamestown resident and worked at Lake Shore Savings for quite some time and has a strong banking finance background. You probably read in the paper or heard about Cockaigne-is not opening this season. It's up for sale. Very unfortunate. We really did a lot to help them. Between the weather, the restaurant, a lot of contributing factors and unfortunately they have opted to try to sell it. So, we will work with them and we'll for sure that we will provide all the tools necessary for them to find a developer for that and do the right thing there. That's a tough one. The Welch's Building is the other one. I think I talked about it last month-with Sam Savarino's company folding and we have had several conversations with him about what his intent is with the building. He hasn't committed to anything however he has said that he owns it now. He's got a lot of the incentives all lined up-either-maybe one of his LLC's or another company taking over or a partnering and offering our assistance in any way we can but things happen. Just like this Silver Creek School and a lot of other projects we've worked on if we keep at it there will be a good outcome. That is sort of my in a nutshell for now-my update.

Gary Henry

Rich, do you have a Treasurer's Report?

Rich Dixon

I do. Reviewed and discussed Treasurer's Report.

Gary Henry

If there are no questions can we have a motion to accept the Treasurer's Report along with the 2024 budget?

Steven Thorpe

So moved.

Gary Henry

Thank you. Do we have a second?

Brad Walters

Second.

Gary Henry

Thank you. Roll call vote.

Board

Aye – Unanimous.

Gary Henry

The Budget and the Treasurer's Report is approved. 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 as well as some CCIDA personnel. I believe that discussing this in open session would substantially affect the value. Do I hear such a motion?

Kevin Muldowney

So moved.

Gary Henry

Thank you. Do I have a second?

Sagan Sheffield-Smith

I'll second.

Gary Henry

Thank you Dan. All in favor say Aye.

Board

Aye – Unanimous.

Gary Henry

Opposed? We will go into Executive Session.

Executive Session

Start Time: 10:31 a.m.

---

Executive Session

End Time: 11:01 a.m.

---

Gary Henry

We are back in open session of the CCIDA Board Meeting. I would like to report that no actions or votes were taken during Executive Session. Do we have any Old Business to come before the Board? Hearing none do we have a motion to adjourn the meeting?



Brad Walters

So moved.

Gary Henry

Thank you. Do we have a second?

Kevin Muldowney

Second.

Gary Henry

Thank you. All in favor say Aye.

Board


Aye – Unanimous.

Gary Henry

Opposed? The meeting is closed.

The meeting is adjourned at 11:03 a.m.

  
\_\_\_\_\_  
(Assistant) Secretary

  
\_\_\_\_\_  
(Vice) Chairman