

CCIDA MEETING Minutes
September 20, 2017
8:00 a.m.

Present: W. Outwater, B. Burton, R. Gibbon, E. Larsen

Absent: G. Raymond

Contract Staff: S. Craig, L. Bunce, A. Larsen

Finance: S. Cwynar

Guest: D. Jones, S. Palmatier

I. Roll Call

Board Chair E. Larsen called the meeting to order at 7:59 a.m.

II. Approval of Minutes

Upon review motion to approve the August 16, 2017 Regular Meeting Minutes by B. Burton, seconded by W. Outwater. Ayes All. Approved.

III. Treasurer's Report

S. Cwynar reviewed the August 31, 2017 Financial Statements with the board.

Upon review motion to approve the August 31, 2017 Treasurer's Report by B. Burton, seconded by R. Gibbon. Ayes All. Approved.

IV. Bills & Invoices

L. Bunce discussed the Bainbridge property tax bill which DCC paid. The bill had to be paid by August 31st to prevent an unpaid notice in the Evening Sun.

After the Bainbridge property closing in September 2016, the IDA was sent an additional bill for property tax. Bond, Schoeneck, and King discussed the bill with the Bainbridge Town Assessor. BSK argued that any such payment should have been brought to our attention by the time of closing. The County argued that it still had to be paid and would not be written off. S. Craig said we had to pay through DCC to prevent default. Additionally, it would seem inadvisable to pass the cost on to the Cascuns through an amendment to their lease, as it may harbor ill will or complicated re-negotiations which would generate legal costs.

W. Outwater said that in similar arrangements the current year taxes would be included as part of the initial deal, not sent separately. L. Bunce said that the property was owned by the County after foreclosure for most of 2016 and by the IDA for the remainder of 2016 and all of 2017, which would make it tax exempt.

R. Gibbon asked where the money used to pay the bill came from, and whether the County had made any further justification for the invoice. S. Craig replied that it came from Development Chenango's checking account. L. Bunce said that the IDA and its' legal counsel had spoken with the assessor and the county real property tax services several times without uncovering any additional reasoning.

W. Outwater said that every property that goes to tax sale is owned by the county, so every one of those properties could make the same argument as the IDA. B. Burton said that the fact that a tax exempt entity purchased the property made a difference. W. Outwater said that it has always been county policy to collect back taxes regardless of the tax-status of the purchaser.

E. Larsen said that the IDA should have been made aware before closing if there were to be any further taxes collected. To invoice for additional taxes at a later date without notice at the time of purchase infringes on the ability of the purchaser to make a fully informed decision.

W. Outwater said that if someone is bidding on a tax-sale property, they should be aware of the notice that current year taxes will also be owed. E. Larsen replied that that amount should be disclosed at the time of closing. S. Craig said that we didn't go through the standard procedure for those transactions and so were not made aware.

The board further discussed the billing process for property taxes, whether the tax bill was for current or back-taxes, and the method of assessment. L. Bunce said that the IDA's tax bill was for 2017-18 but based on the 2016 tax rolls. It was decided that W. Outwater should seek more information from the County, and the board will revisit the issue at next month's meeting.

E. Larsen asked why we received invoices from both Laughlin and Thompson for lawn maintenance at the business park. S. Craig replied that the bid for maintenance didn't include the garden path, which we are required to maintain. The paths will be included in future bids and will be added into the current contract with Laughlin.

Upon review motion to approve the bills and invoices by B. Burton, seconded by W. Outwater. Ayes All. Approved.

V. Old Business

L. Bunce discussed the L.A. Najarian PILOT. Stephen Harris of Chenango County Real Property Tax Services contacted the IDA with a concern that the project's PILOT agreement contained generic wording that is in need of clarification. S. Harris requested that all tax bills should come from the county to avoid confusion, and that an amendment be made in the PILOT agreement with updated language to that effect. Matt Wells of Bond, Schoeneck & King said that the agreement can be revisited and amended without difficulty.

W. Outwater asked if the IDA would be making this wording standard procedure for future projects. L. Bunce replied that we would.

S. Craig discussed the Technofil PILOT. S. Craig has inspected the building grounds and found that there is no activity aside from one person who seems to check on the property. The IDA has not received communication from Mr. Majluf.

W. Outwater makes motion to rescind the PILOT effective October 1, 2017 on the condition that no communication is received from the Owner, seconded by B. burton seconds motion. Ayes all. Approved.

The Technofil PILOT will be discussed at the October meeting if Mr. Majluf contacts the IDA.

A.Larsen gave an update on the railroad. New York Susquehanna & Western has begun signal work.

R. Gibbon asked about the IDA's membership status with Railroads of New York (RONY). S. Craig replied that we are members but RONY only holds three meetings a year.

L. Bunce discussed the Cascuns project. Their business is doing well and they're pursuing several leads which may ultimately result in expansion. They are getting the most demand on the poultry end of the business.

S. Craig gave update on Distributed Sun. There are now NYSERDA guidelines for solar project tax exemptions, but we haven't heard any more about plans to proceed. L. Bunce said a member of the Ithaca IDA told her that they have done similar solar projects, so we will have examples to cite when the project resumes.

VI. Adjournment

Motion to adjourn by B. Burton, seconded by W. Outwater. Ayes All. Meeting adjourned at 8:38 a.m.

DRAFT