

**STEBEN COUNTY AGRICULTURE, INDUSTRY AND PLANNING COMMITTEE**

*Wednesday, April 1, 2020*

*9:30 a.m.*

*Via Teleconference*

**\*\*MINUTES\*\***

<b>COMMITTEE:</b>	Robin K. Lattimer, Chair Aaron I. Mullen	K. Michael Hanna, Vice Chair Paul E. Van Caesele	Hilda T. Lando
<b>STAFF:</b>	Jack K. Wheeler Jennifer Prossick	Christopher Brewer Eric Rose	Brenda Mori Amy Dlugos
<b>LEGISLATORS:</b>	Scott J. Van Etten Jeffrey P. Horton Frederick G. Potter Gary D. Swackhamer	Carol A. Ferratella John V. Malter Gary B. Roush Steven P. Maio	Kelly H. Fitzpatrick Robert V. Nichols Thomas J. Ryan
<b>OTHERS:</b>	James Johnson, Executive Director, Steuben County Industrial Development Agency Jill Staats, Deputy Director of Operations, Steuben County Industrial Development Agency Mary Perham		

**I. CALL TO ORDER**

Ms. Lattimer called the meeting to order at 9:30 a.m.

**II. APPROVAL OF MINUTES**

**MOTION: APPROVING THE MINUTES OF THE MARCH 4 2020, MEETING MADE BY MR. VAN CAESELEE. SECONDED BY MR. HANNA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.**

**III. DEPARTMENT REQUESTS**

A. Planning

1. **Accepting a Community Development Block Grant** – Mrs. Dlugos stated this is a request for a resolution to accept a Community Development Block Grant. The Legislature approved the application for the grant last November. This will allow us to do approximately 15 more septic systems and also do 2 mobile home replacements, which is new for us, but not new for Arbor, our project management partner.

**MOTION: AUTHORIZING THE PLANNING DIRECTOR TO ACCEPT A COMMUNITY DEVELOPMENT BLOCK GRANT FOR SEPTIC SYSTEMS AND MOBILE HOME REPLACEMENTS MADE BY MRS. LANDO. SECONDED BY MR. HANNA FOR DISCUSSION.**

Mrs. Lando stated now I have a question Amy. So with all of that, with what's going on, will they be able to start work; when will they be able to start doing some of that work? Mrs. Dlugos replied well, the original construction exemption included affordable housing projects, so we were assuming that we could move ahead with this, along with some of the Land Bank projects that are considered affordable housing, however, there was some confusion out there about not being able to get permits and things from the code enforcement officers. So we are trying to get some guidance from Office of Community Renewal or somewhere on what they consider affordable housing projects. We were assuming these kinds of projects would fall under affordable housings, so we are just trying to get some guidance on that. Especially the septic projects, I mean some of them are health and safety, so obviously some of those can proceed, but we do need some guidance on the affordable housing exemption. Ms. Lattimer asked if there were any other questions.

**VOTE ON PREVIOUS MOTION: ALL BEING IN FAVOR. MOTION CARRIES 5-0. Resolution Required.**

Ms. Lattimer asked is that it Amy? Mrs. Dlugos replied yes and that she was going to mute her phone and stay on the line. Ms. Lattimer stated okay. Next up on the agenda is Jamie Johnson to give us an activities update, but first of all I want to give some kudos to Jamie and the Steuben County IDA for their almost daily newsletters and information updates that are going out to businesses during this time of the pandemic. So, kudos to you Jamie. From what I have been seeing you are doing a great job. Mrs. Lando stated I agree. Mr. Johnson stated I appreciate that and none of us has ever experienced anything like this at all and how I directed staff was that at least until we hit the bottom and we can start helping businesses with things like funding applications and things like that, our role was to disseminate information and make sure that information was good and accurate. So we spent a lot of time and staff worked tirelessly and I need to give kudos to my staff because when we needed something working from home, they were there whether it was Friday night at 10:30 p.m. or Sunday morning at 8:00 a.m. You know last week was very difficult for all of us, trying to understand the actions as it changed, sometimes by the minute. So I appreciate the kudos, but it really was a team effort and my staff deserves a lot of that credit as well.

**III. OUTSIDE AGENCIES**

**A. Steuben County Industrial Development Agency**

1. **Activity Update** –Mr. Johnson stated this is going to be a little bit of a different update than what I would have typically given. Today I wanted to talk a little about our actions to respond during this, where we are looking at going from here and how we continue to respond to this ever-growing crisis. Through this we have attempted and tried very hard to make sure our information was being disseminated appropriately. We actually should be releasing in the next day or so, an actual website that people can go to. I have been hesitant to do that only because that's one more thing we have to keep updated. The response to our email blasts has been overwhelming and I can say one of the good things that has come out of this for us is that we have continued to be engaged not only with the business community we would be normally engaged with, but businesses that traditionally have not sought out assistance from the IDA, or have been an organization or business that we have worked with. We have grown our relationship and our reach, if you will. So initially through this at the beginning it was all about the dissemination of information and then working with businesses to determine whether or not they were going to be deemed essential. Through that, Jack (Mr. Wheeler) and I had numerous conversations about impacts of essential businesses, the number of employees and what that would do to the public health effort. You know there were several conversations that Jack and I had about whether this was good or bad whether these businesses were being deemed essential. Through that a lot of the businesses, you know took the initiative to implement some very strict guidelines as far as how they were going to treat their employees, but also what we found is that over time, as time went on, some of these businesses, and I'll use Gunlocke, as an example, just determined that it was best for the business and the health of the employees, to just you know discontinue operations until they had a better understanding of how this was going to impact their business operations. Through this, and I hope Jack agrees, we at least have been able to provide the County information on where the potential hotspots were and understanding what those businesses were doing to help protect their employees and we helped to disseminate that information to Jack and his team as they were trying to manage the crisis. Through that, as I said earlier, the State has set up a hotline and the State continues to update and change their guidance. We continue to promote that. There are businesses who have been investigated by the Attorney General's Office as complaints have come in. To that line, I think some of the complaints have been very valid complaints and others I think you now simply people not necessarily wanting to go to work every day, but that is left up to the Attorney General to make that determination whether the complaints are valid or not, and they are doing that. Any questions on our initial response before I start talking about recovery efforts and some of the things that are going on now?

Mr. Johnson stated so we all are aware of the trillion dollar package that was approved. Still not quite sure where that money is going to come from, but I guess we will pick up the pieces when we get through this. There is a lot of money for business and when you read the rules and regs, that money is, can be very helpful to get businesses through this. I am cautiously optimistic that the money will flow if the Treasury Department and the SBA want it to flow. Treasury actually released a press release late yesterday which I disseminated to my Board, but have not

yet got to the rest of the business community about it. The Payroll Protection Program which provides forgivable loan assistance to those businesses that keep people on staff during this. That money will be released and applications will start to be processed as of this Friday. This morning I reached out to all of our 7A lenders. There are not very many in this region. The SBA 7A program is a little bit of a bear to get through, but I have reached all the 7A lenders saying okay how are we directing businesses, how should we be assisting business because all of this money is going to flow through our 7A lending community, which is basically the bankers that have been certified. So we have been in contact with them and will continue to be in close contact with them and then help direct businesses the best we can that need to complete applications and seek out that funding. In addition, we have been engaged with several businesses who have looked into the SBA Emergency Loan Program. That was the first program that was released and is actually a very old program that has been around and been in existence for quite a while. We did work closely with the State to make sure New York State was designated. It is kind of a strange designation because they picked a number of counties based on some criteria to go to the Federal government who deems that designation and Steuben was one of them so we had to work with our business community to make sure we got impact statements from them in order to get that designation, but we did get that designation a week ago now. There have been individuals that have worked through this. Having said that, comments in *The Corning Leader* were I guess, a little negative, but we need to be very careful as we work through this that we understand there will still be bureaucracy, there still is you know a time factor to all of this. Quite honestly, we are in an unprecedented time where we've got the entire country trying to access the same programs because we are all under this same situation. This is not a 9/11 tragedy where there was a one-time incident in a very isolated area; this is a global pandemic that everybody is trying to deal with. How the money will flow, how quickly the money will flow and how much of it will be available is yet to be determined and I think through this there will continue to be additional programs and resources that will be made available to help our business community and I want to make sure the IDA is at the forefront of that and communicating that out.

Mr. Johnson stated in addition to that, we have had some discussions at our Board level about how we can help best direct funds locally and programs locally to help what I would call our main street businesses and small business community. I think those are the ones that will have the most difficulty keeping people on board and coming back once we work through this. So we have had a lot of discussions with partners at REDEC, Chris Brewer and Jack at the County, we have talked with them about it and hopefully in the coming days and weeks we will have some additional information we can share about how we are going to re-divert some resources to do that and partnering with some of our local institutions that have the capacity to handle the requests we expect to come in.

Mr. Johnson stated in addition, with all of this going on, we are still very busy with projects which is a good thing. Renewable energy continues to go full bore. We've got recent approvals for a solar project in the Town of Bath that should start construction this summer. All three of the wind projects that are looking at our communities, confirmed yesterday that they are still moving forward and expect to start construction; most of them, late summer, early fall, but they are all still moving toward that goal and expect to continue to do that. As I've said, that is a billion dollars' worth of new investment that will be coming to Steuben County and will benefit all of us as we work to recover from this pandemic.

Mr. Johnson stated we continue to be engaged with a couple of interested buyers at the Phillips property. There's documents being exchanged there. So we are hopeful that Phillips and their team will come to a resolution on that, which we will be very excited to work on. Then, as of Friday, the Board of Directors of the Dana Lyon unanimously approved a purchase contract, which will now go to their entire membership to vote on the sale of the Dana Lyons School to Providence Housing for a \$24 million redevelopment of that project as well. So there are still some good things going on in the community despite what's currently happening on the health crisis.

Mr. Wheeler stated if I could interject, specifically with the Dana Lyon project, I think it is important to point out that you know Mr. Johnson has done a ton of work. Ms. Fitzpatrick and Ms. Lattimer were involved as well, but Ms. Fitzpatrick really helped push that towards the finish line and working with the community and helping with the communication. So she definitely deserves a lot of thanks for that. Mr. Johnson stated absolutely; without

Ms. Fitzpatrick, I don't think we could have gotten it to a unanimous vote like we did, so thank you Ms. Fitzpatrick. Ms. Fitzpatrick stated you're welcome.

Mr. Johnson stated so just to wrap up and then I'm happy to answer any questions, we are engaged daily with all of our partners. I know I'm in the basement now so it's a little dark, because my wife is upstairs on a conference call with CSS Workforce NY because she works for the Workforce Investment Board which Mr. Wheeler chairs. We have talked to REDEC every day. I've got three emails that just came through on my phone from Empire State Development regarding different companies and situations. Right now we are in a mode of facilitating information and making sure we can disseminate that and work with our companies to make sure that they have the most updated information. I'm happy to answer any questions regarding our response to what's going on and any...*(Secretary's Note: Audio was garbled)*

Ms. Lattimer stated Jamie if we can back it up a little bit to your comments about meeting with the Board and trying to fashion some sort of resources for local businesses not only going through this, but once they start to open again. I think my question is, I know very well the bureaucracy that the State can present for local businesses. Is there some way in talking with your Board, would they be able to free up some local resources so there won't be quite so much paperwork and the regular bureaucracy from the State? Mr. Johnson stated yes, that's exactly what I'm talking about and there are conversations going on at the State level right now about allowing IDA's to free up some of their local resources, Robin. Right now we are not allowed to provide grants or loans. We can invest into real estate, we can do some other things, but the State has said for the past ten years, through the Authorities Budget Office, that we are not allowed to do grants and loans. So we are working with our State Association and the New York State Economic Development Council; I am the Chair of the policy committee of that, we are trying to get some language softened to allow us to do that in this emergency crisis. A lot of IDA's have pretty healthy fund balances, including ours, which would allow us then to divert some of our local resources to some of these efforts. Now, having said that, one of my biggest fears is that you know I don't want this to; I'm looking at this from a statewide perspective. The resources that we are going to be able to free up, we need to be very careful about that because we don't want to dump everything into an individual program now when we may need it later to help with the recovery. I also don't want anybody to think that this is going to be a make or break type of program because the resources will not nearly cover the demand that is out there, but again, it is a tool and it can help. What we are talking about is some short-term resources to allow people to get through an SBA process, to leverage other funds, to give them some cushion during this period of time, but we need to get the State to loosen up on some of those regulations, so that's where we are right now. Ms. Lattimer stated all right, thank you.

Mr. Van Etten stated I talked to a business owner in Corning yesterday who went to his SBA lender, which is a credit union in the Corning area, to learn about how he has to go applying for this stuff and they basically told him that they were only going to handle customers who currently had SBA loans through them, or that were members of their credit union. So if a lot of these businesses don't have an existing SBA loan, how are they going to get access if the financial institutions are limiting that type of access? Mr. Johnson replied that is a great question Scott, and honestly one of the concerns that I have. When you look at the, what I would call the regional SBA lenders in Chemung, Steuben and Schuyler, that are physically here, it's Chemung Canal, it is these are certified 7A lenders, so the ones that are certified and don't have a relationship with another institution that is certified. It's Chemung Canal, it's Elmira Savings Bank and it's M&T. Some of the credit unions have relationships with an organization called Pursuit Lending, or the New York Business Development Corporation, and I have been talking with them and that is one of the emails I sent this morning to Jim Conroy who I have known for a long time. I asked him, how do we help businesses get through this process? These lenders are going to be inundated with requests and they are all trying to manage these requests while practicing social distancing and working from home offices. So while the legislation says this money, you know, needs to get out the door in two to three days, a traditional SBA process takes nearly 30 days to get through. So how do you go from a traditional 30-day process to a 3 – 5 days process with everyone working from home and the entire country asking for money. That has been my concern all along and what we are hoping to have more information on later today, and honestly one of the reasons why I am talking with the Board and REDEC and other organizations about freeing up some local resources, is to try to bridge that gap of time that it will likely take to get SBA funding. I just don't see, I can't

see a clear path and I hate to say this because I sound very negative, but I don't see a clear path on how the SBA will be able to facilitate these things in the time the legislation has put in play for them to do it.

Mr. Van Etten stated well I have been through the SBA process with loans that I have and I would think they are going to severely relax their restrictive nature of review in order to do this. But, that being said, the situation that he explained to me yesterday, to me didn't seem fair because it's not first in line or people that we already deal with. It should be that anybody should get access and maybe something like the Business Development Center has to become an area where people that don't currently have an SBA relationship with their financial institutions could go and get help. Mr. Johnson replied yes and that's where I think; so Pursuit Lending, the New York State Business Development Corporation, they are a direct SBA lender. They are a statewide organization and they have relationships with many of these banks. Many of the banks; how the organization was funded, was back in the 1950's and 1960's, many of the banks contributed to this organization solely for the purpose of being able to have a resource for SBA lending. They have offices all over the State of New York. The one that serves us I believe is out of the Rochester area and they are very adept at being able to do this type of lending. I think what you are going to find Scott, is for those organizations that don't have relationships with local lenders like that are going to be diverted to a statewide resources like New York State Business Development Corporation, ie., Pursuit Lending, for us to help get them access to that kind of capital. Again, I have been talking to Jim over the past couple of days, Jim Conroy who is the Regional Vice President in charge of lending in New York and Pennsylvania. I asked him this morning how do you want us to send you businesses. You know, how do you want us to help divert businesses to your resources. Honestly, I asked the same question to Chemung Canal, and I asked the same question to Elmira Savings Bank and M&T. Those are all certified, direct SBA 7A lenders per the SBA's website. They are not the lenders like the credit unions, who have a relationship with Pursuit Lending or NYSBDC, so I am trying to figure out how these organizations are going to handle the influx, so then we can send out another one of those communications to the business community and saying hey, the applications are available, here's where they are at, here's who you need to be talking to get this information. I saw the application this morning, it is three pages; it is literally, I was very surprised being that I knew it was coming out of the SBA. Mr. Van Etten stated so it is simple. Mr. Johnson stated yeah it is very simple. I am hoping that my past experience with the SBA is not indicative of what the experience will be this time. Mr. Van Etten stated thank you.

Mr. Mullen stated I think the most helpful thing will be getting that list of lenders out as quickly as possible. I am concerned if we don't have, if the businesses don't have the information on exactly who is processing them, that these funds may be sucked up before we do much about it. Mr. Johnson replied that is my goal today Aaron, is to make sure I understand where we need to direct businesses to. Now that the Treasury has released it, so we will get that information out as soon as we have good information to send out. Because right now, it hasn't been good information. You send people to an SBA website that crashes four times in the course of eight hours with information that says the program is not available yet. To me, it's not. I don't want to be sending people to that kind of website. Today, that's my goal today.

Mr. Hanna stated these projects you mentioned, the solar and wind projects, for next fall, do you think the money is going to be there, I mean in consideration of the financial constraints this virus is putting on our nation? Do you think they are going to hold back the funding because they are going to need it in other places? Mr. Johnson replied I don't know Mike, I can't answer that. What I do know is that they are all saying, and again that was as of yesterday, they are all saying that these projects are continuing to move forward. Where the money comes from, for these projects they typically come from large investment groups and large investment banks and they are very heavily regulated and incentivized by the State and Federal governments through a variety of tax credits. I would hope that they are going to continue to move forward, but right now we are in uncharted territory. We really don't know.

Mr. Malter stated look, some of my clients have already put together their loan packages and these are clients that don't have an existing SBA loan outstanding, and most of the banks are reaching out to clients right now providing them with the application forms and the information to apply. So I don't see it as a major problem in my area. Mr. Johnson stated yeah, John, I think the banks will do a good job of disseminating that information.

Where I am more concerned with is on the SBA side and how the money is going to flow on the SBA side. It has never been the local banks that have been the problem, it's always been the SBA. If it comes through, I will be the first to admit that I was wrong and I will be the first to admit that I am thrilled if the SBA was able to pull this off. I'm just being cautious when it comes to making sure we set an expectation with the business community that we can't control. Mr. Malter stated I understand.

Ms. Lattimer asked are there any other questions from the committee or anyone else who is on the line?

Mr. Mullen stated I have a question on the wind siting issue Robin, if you can take that now. Ms. Lattimer stated go ahead. Mr. Mullen stated sure, so one of my towns contacted me, but I was at a meeting last month and they were very concerned about the Governor's potential plan on changing the manner in which these projects are sited, particularly with the potential of the local municipalities really losing out on any substantive or meaningful procedural input and sort of a lack of, potentially a lack of regard for the laws related to wind or solar. I was wondering if we could get a resolution out and maybe it would be for something to do before the full Legislative meeting this month, that basically says that we are opposed to removing local input, but understand some of the reasons why they are looking at reforming the Article 10 process, but don't want to lose the ability to have substantive local input?

Mr. Johnson stated what I could say to that, just to chime in, is for those that don't know, in the Governor's budget he added in an amendment right towards the end of that process that he asked to amend his budget and basically took the Article 10 process out of the hands of the DEC, basically, and the siting board and put it in the hands of Empire State Development which significantly reduced the amount of time that it would take to get a review and approval, and really further limited local communities' abilities to participate in that review. Furthermore, it actually allows, put some language in there that allows NYSEDA to become involved in the negotiations in the payment of tax negotiations. I don't know where that stands; like many of the other budget issues, I have been told that the leadership in Albany is trying to get a budget approved and passed in the midst of the current crisis, which I think is a not a very good policy move, but that's why I'm not in Albany I guess. I do agree with you Aaron, this is typical of the pendulum swinging too far the other way. I do think that the Article 10 process had some faults and was overly lengthy and could be overly burdensome, especially with the conditions they were placing on some of the wind developments when they issued the approvals. For instance, the Baron Wind Project had 160 – 170 different conditions that were part of the Article 10 certification. They had to work through and they will probably remove some turbines from the some of the communities. I think there were some things that needed to be done, but I think the Governor's proposal took it too far the other way. Mr. Mullen stated I would agree, there were things that needed to be done with the Article 10 process and that it swung too far the other way with the proposal.

Mr. Lattimer stated I have a suggestion; I believe Jack that we have an advisory from NYSAC sometime back, opposed to this idea of removing local control from the siting process don't we Jack? Mr. Wheeler replied yes we do and we are on the email, not really the phone with everything else going on, but like Mr. Johnson mentioned they are trying to get a budget done and they have passed some budget bills overnight. They are passing more today. We will definitely keep you posted. We can definitely, to Aaron's suggestion, we can definitely tee up a resolution one way or the other. If we hear either through Jamie or us, what exactly is in that and if this is removed. From what I am hearing, they are trying to remove a great deal of the policy, non-budgetary items from the budget. There are some policy aspects that are in there, but we can definitely keep you posted and get a resolution ready, but if something changes you know in the next day or two or whenever, when the budget is adopted, we will keep you posted on that too.

Ms. Lattimer stated so Aaron do you want to make a motion to follow-up on that resolution and we will see what happens in the next two weeks? Mr. Mullen stated yes, I will make that motion.

**MOTION: DIRECTING THE COUNTY MANAGER TO TRACK THE GOVERNOR'S PROPOSED BUDGET AMENDMENT RELATIVE TO THE ARTICLE 10 PROCESS, AND IF THE PROPOSAL IS NOT REMOVED, TO DRAFT A RESOLUTION OPPOSING THE LACK OF MUNICIPALITY INPUT RELATIVE TO THE**

**ARTICLE 10 SITING PROCESS FOR WIND PROJECTS MADE BY MR. MULLEN. SECONDED BY MR. HANNA. ALL BEING IN FAVOR. MOTION CARRIES 5-0. Resolution Required.**

Ms. Lattimer asked if Mr. Mullen had anything else. Mr. Mullen replied no thank you.

Ms. Lattimer asked Mr. Johnson if he had any follow-up. Mr. Johnson replied that is all I've got. Mr. Hanna thanked Mr. Johnson. Ms. Lattimer commented I think the committee has exhausted its questions. Thank you Mr. Johnson, that was very thorough. We appreciate it and we hope that you are able to offer all the help you can to our small businesses because that will put the economy back when we finally start up again. Mr. Johnson stated please feel free to send businesses our way. We are, we have the office officially closed, but they can go to our website and use our general email which is being monitored. We are checking messages at the office, so if anybody wants information, just send them our way.

**IV. OTHER BUSINESS**

A. *Hall of Fame* – Ms. Lattimer stated I received a notice from the County Historian, Emily Simms, that the Hall of Fame nominations are being extended because of the situation. She is keeping the application process open until the end of June. The committee will be going through those nominations at that time. We are advancing it for about two months.

Ms. Lattimer asked if there was anything else to come before the committee.

**MOTION: TO ADJOURN MADE BY MR. MULLEN. SECONDED BY MR. HANNA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.**

Respectfully Submitted by

Amanda L. Chapman  
Deputy Clerk  
Steuben County Legislature

**\*\*NEXT MEETING SCHEDULED FOR\*\*  
Wednesday, May 6, 2020  
Legislative Committee Room  
9:30 a.m.**

**Please send agenda items to the Clerk of the Legislature's Office  
NO LATER THAN NOON  
Wednesday, April 29, 2020**