



Tioga County Legislative Worksession Minutes February 21, 2019 – 10:00 a.m.

Legislators Present:

Legislator Balliet
Legislator Hollenbeck
Legislator Monell (*arrived @ 10:10 a.m.*)
Legislator Mullen
Legislator Roberts
Chair/Legislator Sauerbrey
Legislator Standinger
Legislator Weston (*arrived @ 10:02 a.m.*)

Legislators Absent:

Legislator Sullivan

Guests:

Jen Rodriquez, Reporter, Morning Times

Staff Present:

County Attorney Peter DeWind
Legislative Clerk Maureen Dougherty
Deputy Legislative Clerk Cathy Haskell
ED&P Director LeeAnn Tinney (*departed @ 10:23 a.m.*)
IDA Executive Administrator Christine Curtis (*departed @ 10:23 a.m.*)
Chief Accountant/Budget Officer Rita Hollenbeck (*arrived @ 10:03 a.m.*)

Chair Sauerbrey called the Worksession to order at 10:01 a.m. in the Legislative Conference Room for a **Public Hearing on Local Law Introductory No. A of 2019 – A Local Law Establishing the Salary for the Offices of County Clerk and County Sheriff for the four-year term commencing January 1, 2020 and continuing through and including December 31, 2023.** Legislators Monell and Sullivan were not in attendance. Public Hearing adjourned at 10:03 a.m.

Third Special Legislative Meeting of 2019 -

Chair Sauerbrey called the Third Special Legislature Meeting of 2019 to order at 10:05 a.m. for Legislature consideration of the following resolutions:

- ✓ **Adopt Local Law No. 1 of 2019 – A Local Law Establishing the Salary for the Offices of County Clerk and County Sheriff for the Four-year Term of Office**



Commencing January 1, 2020 and continuing through and including December 31, 2023.

- ✓ **Amend Resolution 76-19, Abolish/Create Position (Mental Hygiene)**
- ✓ **Amend Resolution 77-19, Authorize Salaries for Staff Reorganization (Law Department)**

Legislators Monell and Sullivan were not in attendance. Special Meeting adjourned at 10:08 a.m. with regular worksession immediately following.

Owego Gardens II and Best Buy PILOT Cost Benefit Analysis -

ED&P Director Tinney introduced Christine Curtis, IDA Executive Administrator. Ms. Tinney reported the IDA received two PILOT requests, Owego Gardens II and Best Buy. Ms. Tinney reported ED&P prepared the Cost Benefit Analysis (CBA) for both projects, which were previously emailed to all Legislators and hardcopies distributed at time of meeting.

- **Owego Gardens II** – Ms. Tinney reported several studies have defined the need for housing in Tioga County, specifically in the Village of Owego, including the 2014 Village of Owego Comprehensive Plan, 2014 NY Rising Community Reconstruction Plan, 2016 Tioga County Strategic Plan, and most recently the 2017 Countywide Housing Study. Ms. Tinney reported the Home Leasing Owego Gardens II project would begin to address the housing need identified in these studies.

Ms. Tinney reported this project would be located on Belva Lockwood Lane in the Village of Owego. This project will be directly above the existing Owego Gardens I complex and is part of the remaining 80-acre IDA-owned property. Ms. Tinney reported the project calls for the purchase of 10.59 acres to develop a mixed-income working family rental community. The project includes an apartment complex identical to the existing Owego Gardens I facility. Additionally, there will be seven (7) townhouses with four (4) units each and one (1) townhouse with two (2) units for a total of 93 units. Ms. Tinney reported this anticipated \$24 million dollar project would provide working family mixed-rental options. Ms. Tinney reported there will be (50) 1-bedroom units, (35) 2-bedroom units, and (8) 3-bedroom units. Ms. Tinney reported 83 units will be required to meet the 60% area median income, five units will be required to meet the 90% area median income, and an additional five units will be required to meet the 100% area median income.

Ms. Tinney reported poor housing options make it difficult to attract individuals with the right workforce skills.

Ms. Tinney reported this request for financial assistance includes a deviation from the standard PILOT. Ms. Tinney reported the proposed PILOT payment is calculated at



\$500.00 per unit x 93 units for Year 1 payment of \$46,500 and includes a 2% annual escalation thereafter. Ms. Tinney reported the PILOT period requested is 30 years.

Ms. Tinney reported the sales tax and mortgage recording tax abatement requests are in accordance with the standard agreement for an estimated local share of \$262,097 for sales tax and \$174,517 for the mortgage recording tax.

Ms. Tinney reported she is seeking Legislature support in the form of a letter of support on this project.

Legislator Standinger reported there was a known water issue regarding the Owego Gardens I project and inquired as to whether this has been resolved. Ms. Tinney reported the issue of whether there is an ample water supply is being addressed through part of this project where a water tank would be placed at the top of the hill that would serve not only this project, but also Owego Gardens I complex as well. Ms. Tinney reported also working with Suez Water to address low-pressure water issues in the Halstead Development through this water tank.

Legislator Roberts inquired about the land facility purchase between the County and the IDA for this property. Ms. Tinney reported she has located the agreement that allows the IDA to use funds from the sale of property for the development of the site first with any remaining funds going back to the County. The agreement amount identified is \$400,000.

Chair Sauerbrey reported the hill is a huge wetland. To date, the IDA has completed two studies to determine wetland areas and she recently asked the IDA to do a wetland delineation on the entire parcel to determine useable acreage.

Ms. Tinney reported part of the property is located in the Village of Owego and part is in the Town of Owego. The Village of Owego portion has been delineated for wetlands. Ms. Tinney reported this parcel will allow for Owego Gardens I, Owego Gardens II, and possibly one remaining piece that may be able to house an office building, but the remainder of the parcel is undevelopable.

Legislator Roberts inquired as to whether this is historical wetlands or has this occurred in the last couple of years. Legislator Monell reported, according to the new laws of NYS, this parcel has been delineated as wetlands.

Legislator Balliet inquired as to whether the wetland issue could create any issues with the sewer system. Ms. Tinney reported this project will be tying into the Village of Owego sewer system and there has been no indication that this will be an issue.



Legislator Mullen reported as PILOT requests continue, this will affect the County's ability to stay under the 2% tax cap.

Legislator Roberts reported he is not in favor of sales tax abatement, as everyone has to pay sales tax. Legislator Weston reported sales tax abatements allow for competition with other states. Legislator Roberts reported this is not a question of competition when the company has already determined they wish to build or expand in a certain location. Ms. Tinney reported it is a question of project affordability and this is one of the factors for determining feasibility.

On a straw poll vote, Legislators Weston, Mullen, Hollenbeck, Sauerbrey, Monell, Balliet, Roberts, and Standingier were in favor of issuing a letter of support for this project with Legislator Sullivan being absent.

- **Best Buy (Nichols Distribution Center)** – Ms. Tinney presented the Cost Benefit Analysis (CBA) for the warehousing distribution center located in Lounsberry in the Town of Nichols. Ms. Tinney reported the company is seeking financial assistance for the installation of an Automated Storage and Retrieval System (ASRS) update to modernize the company's current facility. This includes installation of a conveyor, new equipment, supply chain, and logistics software. Ms. Tinney reported the company is proposing a renovation and equipping of an existing space at the Best Buy facility located at 55 Berry Road, Nichols. Ms. Tinney reported the project investment for the purchase of the additional equipment, engineering, design fees, purchase and installation of custom software, legal, and agency fees is \$16,875,719.

Ms. Tinney reported there is no additional or reduction in jobs because of the project. However, the project will assist in retaining the current workforce of 171 full-time and 52 part-time employees for an estimated 2018 annual payroll of \$9.7 million dollars.

Ms. Tinney reported projection for the upgrades will result in an 18% increase in units shipped daily and 25-30% increase in daily employee production. The renovations are estimated to take six (6) months to complete.

Ms. Tinney reported the project would advance Nichols Distribution Center, LLC as a key warehousing location within the Best Buy Corporation and set the Nichols location up for additional upgrades valued at \$3-4 million dollars. This would ultimately result in future employment opportunities and economic stimulus to Tioga County. The project would stabilize the existing employment base, which contributed to \$9.7 annual payroll for 2018 and has totaled over \$153 million dollars since the opening of the facility in 2002 reinforcing Best Buy as the fifth largest



private sector employer in Tioga County. The approval would inhibit Best Buy Corporation in considering other locations outside of NYS and the northeast region. This would insure Nichols Distribution Center, LLC/Best Buy long-term viability. The approval would show support of the \$16 million dollars in capital investments, as well as recognizing impacts of the \$21.6 million dollars in real property tax payments made since 2003. Ms. Tinney reported this facility stands to represent 11% of the total taxable value of the Town of Nichols when the current PILOT expires in 2023. Ms. Tinney reported based on retaining and enhancing Nichols Distribution Center, LLC in our community, it is the Department of Economic Development & Planning's recommendation that the sales tax exemption on the ASRS updates be allowed. Ms. Tinney reported there would be no mortgage tax abatement or real property tax abatement associated with this project. As a result, Ms. Tinney reported the proposed sales tax exemption would allow the company to recognize a local benefit estimated at \$514,214.64. The savings with the already existing real property tax abatement would allow the Nichols facility to be competitive with other Best Buy locations vying for internal funding.

Ms. Tinney reported she is seeking Legislature support in the form of a letter of support on this project.

Legislator Standinger reported it could be perceived that the County is giving away a significant sales tax benefit, however, considering what could result if the company chose to leave the area, he is in favor of this request.

Legislator Weston reported he is in a quandary, as he is a member of the Ag and Farmland Protection Board and their mission is to protect farmland. Legislator Monell reported this project does not require additional land purchase by Best Buy.

Legislator Mullen reported that if we could do something at the local level to increase our competitiveness of our business environment in Tioga County to keep people employed and businesses interested in staying or coming here, we should do so. This type of project allows Tioga County to create a better business environment.

On a straw poll vote, Legislators Weston, Mullen, Hollenbeck, Sauerbrey, Monell, Balliet, Roberts, and Standinger were in favor of issuing a letter of support for this project with Legislator Sullivan being absent.



Board of Ethics Appointment -

Legislative Clerk Dougherty reported there are two Board of Ethics members whose terms are expiring as of March 31, 2019, and they have declined to serve another term. Ms. Dougherty reported one is a Chair of the Legislature appointment and one is a Minority appointment. Ms. Dougherty reported these two individuals were from the Owego and Candor areas. Ms. Dougherty reported the Board is currently comprised of representation from Newark Valley, Apalachin, Waverly, Owego, and Nichols. Ms. Dougherty reported there is currently no representation from the Berkshire, Richford, or Berkshire areas if you wanted to consider geographical areas.

Chair Sauerbrey inquired as to whether Legislator Balliet could give thought about nominating someone from the Town of Owego area.

County Attorney DeWind reported primarily this Board meets once annually in June to discuss and review the financial disclosures. The Board Chair has the additional duties of drafting and sending letters to individuals for non-compliance. There is a potential for the Board of Ethics to be asked for an ethics opinion, however, that is rare.

Ms. Dougherty reported potential candidates would need to submit their resumes.

Chief Accountant/Budget Officer Hollenbeck expressed interest in serving and questioned whether this would pose a conflict of interest, as she is required to submit a financial disclosure and the primary task of this board is to review these documents.

Mr. DeWind reported he would prefer not to have a County employee who completes and submits a financial disclosure to serve on the board due to potential conflict of interest.

Legislator Mullen reported he would inquire about a potential candidate in the Spencer area.

Legislator Hollenbeck reported that if Legislator Mullen's candidate were not a viable option, he would check on a potential candidate in the Richford area.

Chair Sauerbrey reported names of potential candidates should be presented at the March 7, 2019 worksession.

Approval of Worksession Minutes – February 7, 2019 -

Legislator Monell motioned to approve the February 7, 2019 Legislative Worksession minutes as written, seconded by Legislator Hollenbeck with Legislators Balliet, Hollenbeck, Monell, Mullen, Roberts, Sauerbrey, Standing, and Weston voting yes with Legislator Sullivan being absent. Motion carried.



Action Items:

There are currently no action items at this time.

Other –

→ **AIM (Aid and Incentives for Municipalities) Funding** – Chair Sauerbrey reported, as of last week, the Governor indicated the possibility of restoring AIM funding through individual counties, however, this has not been officially determined. Chair Sauerbrey reported the Internet sales tax is expected to pass and the Governor believes this will create a windfall for the State, as well as counties. Therefore, noting the counties could cover the cost of the AIM funding. Chair Sauerbrey reported Tioga County already distributes \$6 million dollars (25% of sales tax collected) to the towns and villages annually. Chair Sauerbrey reported this could be another State mandate where the counties will need to make the towns and villages whole with the AIM funding and removing our decision-making ability of how we choose to spend our funding.

Chair Sauerbrey proposed the County draft a resolution in opposition of this proposed AIM funding plan. Chair Sauerbrey reported Treasurer McFadden provided her with a sample resolution from Genesee County that she would like Ms. Dougherty to follow and create a similar resolution for Tioga County.

Legislator Roberts inquired about NYSAC's position on this topic. Chair Sauerbrey reported she has a phone call into Steven Acquario, NYSAC, and is awaiting a response. Legislator Roberts expressed concern that the resolution alone will not be effective. Chair Sauerbrey reported she believes Tioga County needs to have a voice on this topic and take a position.

Legislator Monell reported the resolution might not serve any value, but there is no harm in preparing and adopting one.

On a straw poll vote, Legislators Weston, Mullen, Hollenbeck, Sauerbrey, Monell, Balliet, Roberts, and Standing were in favor of Ms. Dougherty drafting a resolution in opposition of this proposed AIM funding plan with Legislator Sullivan being absent.

→ **Reproductive Health Act** – Chair Sauerbrey reported the Governor recently passed legislation for the Reproductive Health Act, which she does not personally support. Chair Sauerbrey proposed the County draft a resolution in opposition of this legislation.



Legislator Mullen reported he would like to take this a step further and have the Legislature do a local law disallowing any abortion provider of facility to operate in the County.

Legislator Standinger reported he is very frustrated regarding the removal of the penal law section of this act. Legislator Standinger reported if a pregnant woman is assaulted causing injury or death of the unborn child the only charge allowed under this new legislation is assault and not homicide. Legislator Mullen reported the unborn child is no longer protected until time of birth.

On a straw poll vote, Legislators Sauerbrey, Monell, Balliet, Roberts, Standinger, Mullen, and Hollenbeck were in favor of drafting a resolution in opposition of this recently new State legislation with Legislator Weston reporting he needs additional information before rendering a vote and Legislator Sullivan being absent.

→ **Upcoming Required Training –** Ms. Dougherty reported she believes there is upcoming required County training; Workplace Violence, Sexual Harassment, etc. in the next month. Mr. DeWind reported the Law Department is working with ITCS to set up the electronic trainings and should be available within the next month with a due date of April 1, 2019.

Executive Session –

With no confidential topics of discussion, an Executive Session was not necessary.

Meeting adjourned at 10:49 a.m.

Next worksession scheduled for Thursday, March 7, 2019, at 1:00 p.m.

Respectfully submitted,

Cathy Haskell

Deputy Legislative Clerk