



Cortland County

Industrial Development Agency

Regular Meeting of the Members of the Cortland County Industrial Development Agency

November 12th , 2024 – Noon

40 Main Street, Suite A Cortland, NY 13045

To Live Stream This Meeting Go To...

<https://us06web.zoom.us/j/88938696233?pwd=7rbvJMtvEaxgco8AlhFB5GMkQwandr.1>

Roll Call-

Mike McMahon	Chairman	
Stephen Compagni	Vice Chairman	
Deborah Hayden	Treasurer	
Clint Brooks	Secretary	
Johanna Ames	Member	
Dr. Kathleen Burke	Member	
Donald Richards	Member	
<u>Brendan O'Bryan</u>	Executive Director	
<u>Andrea Skeels</u>	Director of Finance and Special Projects	
<u>John Sidd</u>	Agency Counsel	

Approval of Minutes - September 9th, 2024

New Business

- 1. Review/Authorize new slate of signatories for all IDA Accounts**
- 2. Discussion: Extension of the term of the lease Agreement for a term of one-year to allow The New York, Susquehanna and Western Railway Corporation to apply for a longer-term agreement**

Monthly Reports

- 1.) Finance Report**
- 2.) Director's Report**

Adjourn –



Cortland County
Industrial Development Agency

Minutes



Cortland County

Industrial Development Agency

Minutes of the Meeting of the Members of the Cortland County Industrial Development Agency
September 9, 2024 – Noon
40-42 Main Street, Suite A, 2nd Floor Cortland New York, 13405

Roll Call – Chairman McMahon called the meeting to order at 12:09 PM

Mike McMahon	Chairman	<u>Present</u>
Stephen Compagni	Vice Chairman	<u>Remote</u>
Deborah Hayden	Treasurer	<u>Remote</u>
Clint Brooks	Secretary	<u>Present</u>
Johanna Ames	Member	<u>Absent</u>
Dr. Kathleen Burke	Member	<u>Present</u>
Donald Richards	Member	<u>Present</u>
<u>Brendan O'Bryan</u>	Executive Director	<u>Present</u>
<u>Karen Niday</u>	Corporate Finance Officer	<u>Present</u>
<u>Marie Weiss</u>	Carpenters Local 277	<u>Present</u>
<u>John Sidd</u>	Agency Counsel	<u>Present</u>

Approval of Minutes - July 8, 2024 – Chairman McMahon made a motion to accept the minutes as presented, Mr. Richards seconded the motion; all in favor, none opposed.

New Business

Review/Adopt Proposed BDC 2025 Budget – Budget was reviewed and presented by CFO Karen Niday. Mr. Brooks made a motion to adopt the 2025 BDC budget as presented; Mr. Richards seconded the motion; all voting in favor, none opposed.

Motion made by Chairman McMahon to pay back \$91,835.00 to the Cortland County Business Development Corporation for the purchase, maintenance and cleaning up of the Contento Junkyard site on Route 11 in Cortlandville, Mr. Richards seconded the motion; all in favor, none opposed.

Monthly Reports

1.) Finance Report – Ms. Niday reviewed the monthly financial statements.



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2.)Director's Report

Adjourn – The meeting was adjourned at 12:25 PM.



Cortland County
Industrial Development Agency

New Business



Cortland County
Industrial Development Agency

NYS&W Lease Agreement

The New York, Susquehanna and Western Railway Corporation
1 Railroad Avenue
Cooperstown, NY 13326
607-547-2555
www.nysw.com

November 1, 2024

Brendan O'Bryan, Executive Director
Cortland County Industrial Development Agency
40 Main Street, Suite A
Cortland, New York 13045

RE: Lease Agreement dated April 12, 1982, as amended

Dear Mr. O'Bryan:

As we recently discussed, the Lease Agreement for the railroad lines in Cortland County (other than the Agency Line) is currently set to terminate on December 31, 2024. By this letter, NYS&W is requesting an extension of the term of the Lease Agreement for a term of one year to allow NYS&W to apply for a 5-year agreement extension.

NYS&W greatly appreciates the relationship it has enjoyed with CCIDA since 1982. From the initial efforts in 1982 to save the railroad from abandonment to the present, this project has been successful in both supporting business development in Cortland County and in improving the condition of the railroad. Just a few of the more recent accomplishments include:

- Development of the Suit-Kote distribution terminal in Cortlandville, including \$300,000 improvements in 2024 by NYS&W to the track and crossing surface to enter the facility.
- Restoration and repurposing of the former Marathon passenger station.
- Development of a brown-field site on Pendleton Street, Cortland for transloading of materials to/from railcar for industries that do not have direct rail service.

As is the case with other infrastructure, the rail lines also benefitted from the influx of capital funds from NYS&W and governmental sources, often with the support and assistance of CCIDA. Future projects planned for continued upgrades of the rail line include:

- In 2024, the construction of 4100 feet of rail as a Serving Track. A \$2.6 million project funded by NYSDOT in the Towns of Homer and Preble that will allow for a better flow of rail cars and alleviate congestion in Cortland County.
- In 2025, the replacement of 3.41 miles of rail as part of a larger \$5.8 million project and 1 mile of rail as part of a \$6.7 million project City of Cortland and Town of Homer supported in part by grants from the Federal CRISI program and NYSDOT.

- Recently announced is the replacement of 5.8 miles of rail in the Towns of Homer and Preble as part of a \$7.6 million project, also supported in part by grants from the Federal CRISI program and NYSDOT.

In 1982, the rail line that runs through Cortland County (as well as Broome, Onondaga, Oneida, Madison and Chenango Counties) was slated for abandonment (meaning the cessation of rail operations) by its owner. A significant factor that was pushing the abandonment decision was the highly punitive real estate taxes imposed on the lines. The main tangible benefit of the 1982 lease was the avoidance of property taxes, with a formula for payments in lieu of taxes based on the traffic levels and revenue generated by train operations. That support from CCIDA allowed NYS&W to justify the acquisition of the rail lines and the many capital improvements that have been made in the subsequent years.

Specifically, the 1982 agreement provided for payment to be made to Cortland County Taxing Entities when the number of railroad cars originating and terminating of the line exceeded 7,000 cars. It was not until 2016 that the threshold of 7,000 carloads was met and since that year a payment has been made to each Taxing Entity. The payment has varied each year with the 2013 payment being \$26,155.80. To provide the Taxing Entities with stability NYS&W proposes an annual payment of \$70,000 with a provision for an annual increase to be determined.

NYS&W appreciates your consideration of this request and looks forward to further conversations with CCIDA.

Respectfully,

A handwritten signature in black ink, appearing to read 'JPB', with a stylized flourish extending from the end.

James P. Bonner
President

NYS&W PILOT Payments

Payee	2016	2017	2018	2019	2020	2021	2022	2023
Cortland Co.	\$8,344.57	\$23,351.44	\$16,066.85	\$ 10,010.92	\$ 11,405.13	\$ 9,490.78	\$12,107.47	\$5,968.74
Town of Marathon	\$484.40	\$1,355.56	\$932.68	\$ 581.14	\$ 662.07	\$ 550.94	\$702.84	\$346.49
Town of Lapeer	\$258.65	\$723.80	\$498.01	\$ 310.30	\$ 353.51	\$ 294.18	\$375.28	\$185.01
Town of Cortlandville	\$519.06	\$1,452.53	\$999.41	\$ 622.71	\$ 709.43	\$ 590.36	\$753.12	\$371.27
Town of Virgil	\$1,011.85	\$2,831.56	\$1,948.24	\$ 1,213.91	\$ 1,382.97	\$ 1,150.84	\$1,468.14	\$723.76
City of Cortland	\$3,626.35	\$10,147.97	\$6,982.26	\$ 4,350.50	\$ 4,956.39	\$ 4,124.46	\$5,261.61	\$2,593.87
Town of Homer	\$461.98	\$1,292.81	\$889.51	\$ 554.24	\$ 631.43	\$ 525.44	\$670.31	\$330.45
Town of Preble	\$634.55	\$1,775.73	\$1,221.78	\$ 761.27	\$ 867.29	\$ 721.71	\$920.70	\$453.89
Village of Marathon	\$508.54	\$1,423.11	\$979.16	\$ 610.10	\$ 695.06	\$ 578.40	\$737.87	\$363.75
Village of Homer	\$317.50	\$888.48	\$611.31	\$ 380.90	\$ 433.94	\$ 361.11	\$460.67	\$227.10
Marathon CSD	\$4,483.09	\$12,545.46	\$8,631.85	\$ 5,378.32	\$ 6,127.36	\$ 5,098.88	\$6,504.69	\$3,206.68
Homer CSD	\$4,869.10	\$13,625.69	\$9,375.09	\$ 5,841.43	\$ 6,654.96	\$ 5,537.92	\$7,064.78	\$3,482.79
City of Cortland SD	\$5,113.16	\$14,308.66	\$9,845.01	\$ 6,134.22	\$ 6,988.53	\$ 5,815.50	\$7,418.89	\$3,657.36
Tully CSD	\$987.65	\$2,763.85	\$1,901.65	\$ 1,184.88	\$ 1,349.90	\$ 1,123.32	\$1,433.02	\$706.45
McGraw CSD	\$4,946.53	\$13,842.36	\$9,524.17	\$ 5,934.31	\$ 6,760.78	\$ 5,625.98	\$7,177.12	\$3,538.18
	\$36,567.00	\$102,329.00	\$70,407.00	\$ 43,869.14	\$ 49,978.77	\$ 41,589.81	\$53,056.50	\$26,155.80



Cortland County
Industrial Development Agency

Monthly Financial Report

Cortland County IDA
Income Statement
For the Ten Months Ending October 31, 2024

	Current Month	Year to Date
REVENUE		
Application Fees	\$ 0.00	\$ 10,000.00
Project Fee	0.00	252,000.00
Interest on Deposits	2,295.38	27,187.59
Lease Interest Revenue	0.00	1,824.63
Land Lease	0.00	14,508.37
Cort Crown Homes PILOT	0.00	24,258.90
Creamery Hills PILOT	0.00	10,635.42
83-85 Main LLC PILOT	0.00	14,000.00
Lapeer Cortland Solar PILOT	0.00	45,000.00
DG NY 1 C Ville LLC	0.00	23,409.00
Janis Solar LLC	0.00	31,212.00
Yellow 3 LLC	0.00	17,166.60
DG NY C'Ville #3	0.00	22,950.00
Crescent Commons	0.00	25,000.00
Total Revenue	2,295.38	519,152.51
TOTAL REVENUE	2,295.38	519,152.51
EXPENSES		
Apex/Cleveland St Property	33.14	1,096.15
Accounting	0.00	7,900.00
Legal	705.00	3,058.90
Office Supplies/Maintenance	0.00	299.93
Property Tax-Sewer/Water	0.00	201.04
D & O Insurance	119.50	1,195.00
Depreciation	0.00	583.63
Cort Crown Homes PILOT	0.00	24,258.90
Creamery Hills PILOT	0.00	10,635.42
83-85 Main LLC PILOT	0.00	14,000.00
Lapeer Cortland Solar PILOT	0.00	45,000.00
DG NY 1 C Ville	0.00	23,409.00
Janis Solar LLC	0.00	31,212.00
Yellow 3 LLC	0.00	17,166.60
DG NY C'Ville #3	0.00	22,950.00
Crescent Commons	0.00	25,000.00
BDC Admin Support	0.00	50,000.00
TOTAL EXPENSES	857.64	277,966.57
NET INCOME	\$ 1,437.74	\$ 241,185.94

Cortland County IDA
Balance Sheet
October 31, 2024

ASSETS

CURRENT ASSETS

NBT - Checking 5112	\$	33,433.17
NBT Proj Invest Checking		1,082,947.41
NBT Money Mkt Savings		49,435.18
Prepaid Expenses		<u>1,459.57</u>

TOTAL CURRENT ASSETS 1,167,275.33

PROPERTY AND EQUIPMENT

Land-Railroad Properties	209,818.00
Land-Contento Property	91,835.00
Land-Cleveland St - Apex	303,143.60
Leasehold Improvements	3,376.80
Accum.Depreciation-L.H.I.	(3,207.96)
Office Equipment/Furniture	8,068.08
Accum.Depreciation-FF&E	<u>(5,986.11)</u>

NET PROPERTY & EQUIPMENT 607,047.41

RECEIVABLES

Lease A/R - Park Outdoor	<u>55,587.32</u>
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TOTAL RECEIVABLES 55,587.32

TOTAL ASSETS \$ 1,829,910.06

LIABILITIES/FUND BALANCE

CURRENT LIABILITIES

TOTAL CURRENT LIABILITIES 0.00

LONG TERM LIABILITIES

Deferred Inflows-Leases	\$	<u>55,587.32</u>
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TOTAL LONG TERM LIABILITIES 55,587.32

TOTAL LIABILITIES 55,587.32

FUND BALANCE

Unrestricted Earnings	1,533,136.80
Net Income	<u>241,185.94</u>

TOTAL FUND BALANCE 1,774,322.74

TOTAL LIAB & FUND BALANCE \$ 1,829,910.06