

**MINUTES OF THE MEETING OF THE  
MEMBERSHIP OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(ECIDA)**

**DATE AND PLACE:** March 21, 2011, at the Erie County Industrial Development Agency, 143 Genesee Street, Buffalo, New York 14203

**PRESENT:** Philip C. Ackerman, Barry Brandon, Hon. Anthony F. Caruana, Hon. Chris Collins, Philip Corwin, James F. Doherty, Hon. David Franczyk, Michael Hoffert, Hon. Mary F. Holtz, Michael Laipple, Hon. Barbara Miller-Williams, Dr. Andrew J. Rudnick, Hon. Barry Weinstein, Hon. Timothy J. Whalen, and Hon. Byron W. Brown

**EXCUSED:** Jonathan Dandes, Frank B. Mesiah, Henry M. Sloma, and Richard Vogan

**OTHERS PRESENT:** Al Culliton, Chief Operating Officer; John Cappellino, Executive Vice President; David Kerchoff, Assistant Treasurer; Karen Fiala, Assistant Treasurer; Andrew Schoepich, Treasurer; Robert G. Murray, Assistant Secretary; and Pietra G. Lettieri, Assistant Secretary

There being a quorum present at 9:15 a.m., the Meeting of the Membership of the Erie County Industrial Development Agency was called to order by Mr. Ackerman.

**MINUTES**

The minutes of the February 14, 2011 Meeting of the Members were presented, and upon motion made by Mr. Rudnick, and seconded by Mr. Caruana, approval of the minutes was unanimously carried.

**REPORTS**

Financial Report. Mr. Schoepich presented the February, 2011 balance sheet and income statement, and year to date income statement. Mr. Schoepich and Mr. Ackerman noted the increase in the ECIDA's fixed assets due to the sale of the 275 Oak Street property by the ATC of Buffalo and Erie County, Inc. (the "ATC") to the Enterprise Charter School, resulting in the conveyance of the ECIDA's portion of the 275 Oak Street property (said portion now referred to as 143 Genesee Street) from the ATC to the ECIDA. There being no further questions, Mr. Ackerman directed that the financial report be received and filed.

Grant of ATC Net Assets to ECIDA. At this point in time, Mr. Ackerman noted that, in accordance with the ECIDA's goal to streamline the delivery of economic development services amongst its affiliates, the ATC is in the process of voluntarily undertaking a statutory dissolution, and as such, has resolved to grant its remaining assets and liabilities to the ECIDA, and as such, upon motion made by Mr. Corwin, and seconded by Mr. Ackerman, and unanimously carried, the ECIDA resolved to accept the transfer of all of the ATC's assets and liabilities.

Finance & Audit Committee Report. Mr. Corwin reported on the Finance & Audit Committee meeting held on March 17, 2011, and discussed the 2010 audit conducted by Toski, Schaefer & Co., noting that the auditors expressed an "unqualified opinion" on the financial statements for the ECIDA including the Buffalo Brownfield Redevelopment Fund, and that no audit adjustments were proposed. Mr. Corwin briefly reviewed, and noted that the Finance & Audit Committee recommends that the ECIDA approve, the 2010 Audited Financial Statements and Annual Operating Report, the Investment Report, the Public Authorities 2011 Report, the Finance & Audit Committee Self Evaluation, the Finance & Audit & Committee Charter, and the Investment Guidelines (noting that no changes to the charter or guidelines are recommended). Upon motion made by Dr. Rudnick, seconded by Mr. Weinstein and unanimously carried, the aforementioned items were approved.

Governance Committee Report. Mr. Brandon reported that the Governance Committee met on March 16, 2011, to review, and noted that the Governance Committee recommends that the ECIDA approve, the Governance Committee Self Evaluation, the Governance Committee Charter, the Code of Ethics, the Property Disposition Guidelines, the Procurement Policy, and the ECIDA Measurements/Mission Reports, specifically noting that no changes are recommended thereto. Upon motion made by Dr. Rudnick, seconded by Ms. Holtz and unanimously carried, the aforementioned items were approved.

## **INFORMATION ITEMS**

2011 Closing Schedule. Mr. Kerchoff presented the year to date 2011 ECIDA Tax Incentive Closings. There being no further questions, Mr. Ackerman directed that the report be received and filed.

RDC Loan Status/Backlog Report. Mr. Kerchoff presented the report dated as of March 16, 2011, showing that in the last 30 days, three RDC loans have been closed, and approximately four loans are in the process of being closed. Mr. Kerchoff noted that the HEI Recycling, Inc., \$300,000 loan is the first loan undertaken through the new Erie County Business Stimulus Loan Fund set up to assist small business when due to impacts of the economic slowdown the business has experienced stricter bank borrowing requirements which have prevented an established company from finding funding necessary to pursue business growth opportunities. There being no further questions, Mr. Ackerman directed that the report be received and filed.

At this point, Hon. Bryon W. Brown joined the meeting.

## INDUCEMENT RESOLUTIONS

Derrick Corporation - Lease/Leaseback - 2185 Walden Avenue, Cheektowaga, New York.

Ms. Fiala presented the inducement resolution for this 124,000 square foot addition to the company's existing manufacturing facility. After some brief discussion, upon a motion made by Ms. Holtz, seconded by Mr. Corwin, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF DERRICK CORPORATION (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

I Squared R Element Co., Inc. - Lease/Leaseback - 12600 Clarence Center Road, Akron, New York.

Ms. Fiala presented the inducement resolution for this 36,000 square foot addition to the company's existing 86,000 square foot manufacturing facility. After some brief discussion, upon a motion made by Mr. Rudnick, seconded by Mr. Weinstein, with one abstention by Mr. Corwin, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF I SQUARED R ELEMENT CO., INC. (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC

HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

McGard, Inc. - Lease/Leaseback – 3875 California Road, Orchard Park, New York.

Ms. Fiala presented the inducement resolution for this 24,500 square foot addition to the company's existing 225,000 square foot manufacturing facility. After some brief discussion, upon a motion made by Ms. Holtz, seconded by Dr. Rudnick, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF MCGARD, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

Sonwil Distribution Center, Inc. - Sales Tax Exemption – 4900 N. America Drive,  
West Seneca, New York.

Ms. Fiala presented the inducement resolution for this new project. After some brief discussion, upon a motion made by Mr. Weinstein, seconded by Mr. Corwin, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF SONWIL DISTRIBUTION CENTER, INC. (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION AND EQUIPPING OF THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF RELATED DOCUMENTS

Sonwil Distribution Center, Inc. - Sales Tax Exemption – 611 Jamison Road, Elma,  
New York.

Ms. Fiala presented the inducement resolution for this new project. After some brief discussion, upon a motion made by Mr. Weinstein, seconded by Mr. Corwin, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF SONWIL DISTRIBUTION CENTER, INC. (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION AND EQUIPPING OF THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF RELATED DOCUMENTS

University Pediatric Dentistry, PC - Sales Tax Exemption – 1100 Main Street,  
Buffalo, New York.

Ms. Fiala presented the inducement resolution for this dental health facility. This project involves the equipping of a dental facility for pediatric dental, and specifically the disabled pediatric population, services, located in a federally designated Health Professional Shortage Area, and as such, because the project will provide dental services that are generally not available in the City of Buffalo, qualifies under the ECIDA's Uniform Tax Exemption

Policy. Mayor Brown noted he met with the Company and cited the importance of the project and the related new jobs that will be created. After some brief discussion, upon a motion made by Mr. Weinstein, seconded by Mr. Franczyk, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF UNIVERSITY PEDIATRIC DENTISTRY, PC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION AND EQUIPPING OF THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF RELATED DOCUMENTS

Valledolmo, Inc. / Ricotta & Visco - Lease/Leaseback – 496 Main Street, Buffalo, New York.

Ms. Fiala presented the inducement resolution for this adaptive reuse project. Mr. Hoffert questioned if the ECIDA can monitor/control or guarantee local hiring preferences, and Mr. Ackerman stated that he would ask the ECIDA to review this request. After some brief discussion, upon a motion made by Mayor Brown, seconded by Ms. Miller-Williams, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF VALLEDOLMO, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

**SPECIAL RESOLUTION:**

257 West Genesee Street, LLC/Healthnow - 275 West Seneca Street, Buffalo, New York.

Ms. Fiala presented this request by the Company for the granting of a collateral mortgage to be placed upon this property, which is already subject to an ECIDA PILOT. Upon a motion made by Dr. Rudnick, seconded by Mr. Weinstein, the granting of the collateral mortgage was unanimously carried:

**TENANT RESOLUTION:**

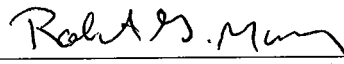
Sonwil Distribution Center. This previously induced project located at 353 Sonwil Drive, Cheektowaga, New York, was presented to the Agency for approval of E&R Industrial as tenant. Ms. Fiala noted the ECIDA Uniform Tax Exemption Policy with respect to tenant approvals involving a move from one municipality to another was properly followed, and Mayor Brown noted that he met with E&R and commented that the move by this tenant from Buffalo to the new site results from a business need to improve logistical operations. Upon a motion made by Mr. Weinstein, seconded by Ms. Holtz, the tenant approval was unanimously carried.

**MANAGEMENT TEAM REPORTS:**

Media/Press Coverage. Mr. Culliton reviewed recent media coverage that the ECIDA received over the last month, as contained within the packages distributed to each Member.

There being no further business, upon motion made by Mr. Corwin, seconded by Dr. Rudnick, and unanimously carried, the meeting was adjourned at 9:40 a.m.

Dated: March 21, 2011

  
\_\_\_\_\_  
Robert G. Murray, Assistant Secretary