

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

DATE AND PLACE: August 15, 2011, at the Erie County Industrial Development Agency, 143 Genesee Street, Buffalo, New York 14203

PRESENT: Barry Brandon, Hon. Byron W. Brown, Hon. Anthony F. Caruana, James F. Doherty, Michael Hoffert, Hon. Mary F. Holtz, Michael Laipple, Frank B. Mesiah, Dr. Andrew J. Rudnick, Henry M. Sloma, Richard Vogan, Hon. Barry Weinstein and Hon. Timothy J. Whalen

EXCUSED: Phil Ackerman, Hon. Chris Collins, Philip Corwin, Hon. David Franczyk, and Hon. Barbara Miller-Williams,

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

There being a quorum present at 9:20 a.m., the Meeting of the Membership of the Erie County Industrial Development Agency was called to order by Dr. Rudnick, who was appointed by Chairman Ackerman, in his absence, to preside over the meeting.

MINUTES

The minutes of the July 18, 2011 Meeting of the Members were presented, and upon motion made by Mr. Doherty, and seconded by Mr. Mesiah, approval of the minutes was unanimously carried.

REPORTS

Financial Report. Mr. Schoepich presented the July, 2011 financial statements, noting that the Agency is ahead of budget. There being no further comments, Dr. Rudnik directed that the financial report be received and filed.

INFORMATION ITEMS

2011 Closing Schedule/RDC Loan Status/Backlog Report. Mr. Kerchoff presented the year to date 2011 ECIDA Closing Schedule and Loan Status Report dated as of July 14, 2011, and the Bond/Lease Projects Backlog Report. There being no further comments, Dr. Rudnik directed that the reports be received and filed.

ECIDA Policy Committee Update. Mr. Cappellino updated the members on the July 26, 2011 Policy Committee meeting noting that no quorum was present and that no new policy recommendations were developed or approved by the Committee. With respect to market rate senior housing projects, Mr. Cappellino noted that those present at the committee meeting discussed general concepts including a need that each such project have an identified public purpose, that such projects be required to install and provide certain amenities facilitative to senior residential living, and that some evidence be presented showing that agency financial benefits are passed through to the benefit of the senior residents. Bryan Young, of Young Development Inc., also briefed those present with respect to certain matters related to a senior housing project. Mr. Cappellino concluded by noting that those present at the meeting expressed a need to undertake a regional study to benchmark senior housing needs and areas under and over serviced with respect to senior housing.

Mr. Cappellino then reviewed the Committee's discussion with respect to retail projects, and noted that the Committee concluded that the Agency's retail policy should be revised in the near future to focus retail incentives in more narrow core areas, said areas to be identified in the report to be issued by the Buffalo Building Re-Use Project, to be released within the next two months.

At this point, Mr. Hoffert joined the meeting.

Mr. Sloma expressed his concurrence with the senior housing strategy/initiative as expressed herein. With respect to retail policy issues, based on experiences in Niagara County, Mr. Sloma noted that urban core residents need retail amenities, and provision of incentives related thereto involves certain challenges and risks.

Mayor Brown spoke in favor of the policy committee initiatives and confirmed the need to tailor a new/different set of urban core incentives with respect to retail issues.

INDUCEMENT RESOLUTIONS

338 Ellicott Street, LLC - Lease/Leaseback – 338 Ellicott Street, Buffalo, New York.

Ms. Fiala presented the inducement resolution for this project including the acquisition and redevelopment and reuse of a vacant building located at 338 Ellicott Street for restaurant purposes. Upon motion made by Mayor Brown, and seconded by Ms. Holtz, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 338 ELLICOTT STREET, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) 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

437 Ellicott Street, LLC - Lease/Leaseback – 437 Ellicott Street, Buffalo, New York.

Ms. Fiala presented the inducement resolution for this project including the acquisition and redevelopment and reuse of a vacant building located at 338 Ellicott Street for restaurant purposes. Upon motion made by Mayor Brown, and seconded by Ms. Holtz, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 437 ELLICOTT STREET, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) 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

Moog, Inc. - Lease/Leaseback – Seneca Street at Jamison Road, East Aurora, New York.

Ms. Fiala presented the inducement resolution for this project including the construction of an approximately 65,000 sq. ft. office building to house Moog's senior corporate management, finance and accounting, and technology staff, freeing up space in existing facilities for business operation purposes. Upon motion made by Mr. Weinstein, and seconded by Mr. Vogan, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF MOOG, 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, AND (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PILOT AGREEMENT AND RELATED DOCUMENTS

ACTION ITEMS:

Roof Replacement Contract/Entrance Way/Garden Contract.

Mr. Schoeppich reviewed proposed capital improvements, as described in a memorandum provided to members, to be made to the Agency's facility, noting that said project amounts were already approved in the 2011 Agency Budget. With respect to roofing repairs, Mr. Schoeppich noted that, after a competitive bidding process, the staff recommends the selection of Sahlem's Roofing as it received the highest evaluation score and was the lowest bidder. With respect to entranceway improvements, Mr. Schoeppich noted that the approved budget provided for a \$76,500 expenditure. Bid responses are due on August 16th. Given weather related issues as the end of the construction year approaches and the need to begin said repairs as soon as possible, staff recommends that the members authorize the officers of the Agency to award the contract to the highest-scoring, responsible bidder in an amount not to exceed \$85,000, in the event bid amounts exceed the originally budgeted amount. Upon motion made by Mr. Sloma to authorize the engagement of Sahlem's Roofing and to authorize Agency staff to award the entrance way/garden contract as described above, and seconded by Mr. Hoffert, the motion was unanimously approved.

UDAG Strategic Initiatives Funding.

Mr. Schoeppich reviewed the UDAG Strategic Initiatives Funding ("USIF") projects, all as included within the Agency's 2011 approved budget with respect to the following:

1. 5335 River Road project – USIF request of up to \$100,000 to match funding provided by the Town of Tonawanda for the demolition and remediation of the Riverview Industrial Center located at 5335 River Road in Tonawanda, New York;
2. 3445 River Road project - USIF request of \$200,000 to match National Grid funding to perform engineering and asbestos removal work to create a shovel ready site at 3445 River Road, Tonawanda, New York;
3. Microloan Recipient Mentor Assistance Program – USIF request for \$11,000 to provide business mentoring to RDC microloan recipients and to provide \$500 scholarships

to small business owners accepted into UB's Minority and Women Emerging Entrepreneurs Program;

4. Senior Housing Market Assessment – USIF request for \$10,000 to fund a study to help the Agency refine its market rate senior housing eligibility policy as it relates to inventory and demand for senior housing units in Erie County;

5. New Markets Tax Credit Program – USIF request for \$10,000 to fund initial research and legal structures that need to be established to set up a NMTC Qualified Community Development Entity;

6. Buffalo Niagara Enterprise membership – USIF request for \$50,000 for the Agency's annual contribution to the BNE;

7. World Trade Center Buffalo Niagara membership – USIF request for \$10,000 for the Agency's membership contribution.

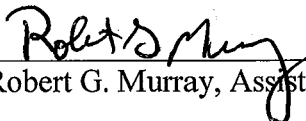
Upon motion made by Mr. Caruana, and seconded by Mr. Weinstein, the USIF funding requests were unanimously approved.

MANAGEMENT TEAM REPORTS:

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

There being no further business, upon motion made by Ms. Holtz, seconded by Mr. Mesiah and unanimously carried, the meeting was adjourned at 9:55 a.m.

Dated: August 15, 2011



Robert G. Murray, Assistant Secretary