

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

DATE AND PLACE: December 19, 2011, at the Erie County Industrial Development Agency, 143 Genesee Street, Buffalo, New York 14203

PRESENT: Phil Ackerman, Hon. Anthony F. Caruana, Hon. Chris Collins, Philip Corwin, James F. Doherty, Dennis Elsenbeck, Hon. David Franczyk, Michael Hoffert, Hon. Mary F. Holtz, Dr. Andrew J. Rudnick, Hon. Barry Weinstein, and Hon. Barbara Miller-Williams

EXCUSED: Barry Brandon, Hon. Byron W. Brown, Michael Laipple, Frank B. Mesiah, Henry M. Sloma, Richard Vogan, and Hon. Timothy J. Whalen

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

There being a quorum present at 9:17 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 November 21, 2011 Meeting of the Members were presented, and upon motion made by Dr. Rudnick, and seconded by Mr. Corwin, approval of the minutes was unanimously carried.

SPECIAL RECOGNITION AWARD

Mr. Ackerman presented a special service award to Erie County Executive Chris Collins in recognition of his four years of service. Mr. Collins commented on the successes of the ECIDA over the last four years and in particular, commented on the viability of the ECIDA's adaptive reuse program, the ECIDA's full use of Erie County's Recovery Zone Bond allocation in 2010, and the activation of the ILDC as a tax exempt issuer benefiting Erie County's not-for-profit sector.

REPORTS / ACTION ITEMS / INFORMATION ITEMS:

Financial Report. Mr. Schoepich presented the November, 2011 financial statements, noting that the Agency's administrative fees were lower for the month and that expenses were also lower than budgeted. Mr. Schoepich stated that administrative fees will finish the year above budget, and expense will finish the year below the amount budgeted.

There being no comments, Mr. Ackerman directed that the November 2011 financial report be received and filed.

At this point in time, Ms. Barbara Miller-Williams joined the meeting.

2011 Closing Schedule/RDC Loan Status/Backlog Report. Mr. Culliton reviewed the 2011 Closing Schedule and RDC Loan Report. There being no comments, Mr. Ackerman directed that the 2011 closing schedule and status report be received and filed.

Grant Award from National Grid for the Bethlehem Steel Project.

Mr. Schoepich and Mr. Cappellino reviewed the ongoing redevelopment efforts related to the Bethlehem Steel site in Lackawanna, New York. Mr. Cappellino then presented an overview of the Bethlehem Steel rail corridor re-location project, noting the ECIDA's role in providing oversight and project administration services for engineering and construction activities related to the relocation and reconstruction of the rail facilities located thereon. Mr. Cappellino then reviewed a proposed resolution presented to the members authorizing the ECIDA to accept a grant of approximately \$300,000 from national Grid to help finance the redevelopment of the site. Mr. Elsenbeck then commented upon the excellent partnership between all parties involved, and in particular thanked Erie County and County Executive Collins for their leadership on this project, that should ultimately open up some 400 acres of the former Bethlehem Steel site for redevelopment. Upon motion made by Mr. Weinstein, and seconded by Dr. Rudnick, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING EXECUTION AND ADOPTION OF A NATIONAL GRID GRANT AGREEMENT RELATIVE TO THE AGENCY'S ACCEPTANCE OF A BROWNFIELD REDEVELOPMENT PROGRAM GRANT IN THE AMOUNT OF \$300,000 TO BE UTILIZED FOR UP TO 10% OF THE TOTAL REDEVELOPMENT COSTS RELATED TO THE BETHLEHEM STEEL RAIL IMPROVEMENT PROJECT.

First Niagara Banking Resolution.

Mr. Schoepich reviewed this action item entailing the approval and designation of First Niagara Bank as the ECIDA's official depository of funds. Upon motion made by Dr. Rudnick, and seconded by Mr. Weinstein, the standard First Niagara Bank resolution, a copy of which is attached hereto and made a part of these minutes, was unanimously approved.

INDUCEMENT RESOLUTION

Calspan Corporation, LLC - Sales Tax Exemption – 4455 Genesee Street, Buffalo, New York.

Ms. Fiala presented the inducement resolution for Calspan Corporation's sales tax exemption project in connection with its general upgrading of its facility located at 4455 Genesee Street, Buffalo, New York. It was noted that Calspan has also recently been awarded

a \$1,300,000 Regional Development Council award. Upon motion made by Ms. Holtz, and seconded by Mr. Weinstein, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF CALSPAN CORPORATION LLC (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

AMENDATORY INDUCEMENT RESOLUTIONS

BP Southtowns Campus, LLC, JP Southtowns Campus LLC and B&S Southtowns Campus Group, LLC – 180 Redtail Road, Orchard Park, New York.

Ms. Fiala presented this supplemental inducement resolution noting that the initial project costs have increased. Upon motion made by Mr. Weinstein, and seconded by Ms. Holtz, the following resolution was unanimously carried:

SUPPLEMENTAL RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A REVISED SALES TAX EXEMPTION PACKAGE AND RELATED DOCUMENTS WITH RESPECT TO THE BP SOUTHTOWNS CAMPUS LLC, JP SOUTHTOWNS CAMPUS LLC AND B&S SOUTHTOWNS CAMPUS GROUP LLC PROJECT (AS MORE FULLY DESCRIBED BELOW)

Polymer Conversions / Jack E. Bertsch – 5732 Big Tree Road, Orchard Park, New York.

Ms. Fiala presented this supplemental inducement resolution noting that the initial project costs have increased. Upon motion made by Dr. Rudnick, and seconded by Mr. Weinstein, the following resolution was unanimously carried:

SUPPLEMENTAL RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A REVISED SALES TAX EXEMPTION PACKAGE AND RELATED DOCUMENTS WITH RESPECT TO THE JACK E. BERTSCH PROJECT

SPECIAL RESOLUTIONS:

937 Broadway Associates – 937 Broadway, Buffalo, New York.

Ms. Fiala presented this special resolution authorizing the redemption of the bonds originally issued by the ECIDA and held by Citizen’s Bank and authorizing the termination of the agency lease agreement. Upon motion made by Mr. Weinstein, and seconded by Mr. Franczyk, the resolution was unanimously carried.

TENANT RESOLUTION

Sonwil Distribution Center, Inc., 350 Sonwil Drive, Cheektowaga, New York

Ms. Fiala presented this resolution for approval of tenant Diverse Funding Association, LLC to occupy approximately 11,000 sq. ft. of warehouse space at the aforementioned property address. Upon motion made by Ms. Holtz, and seconded by Mr. Caruana, the tenant occupancy was unanimously approved.

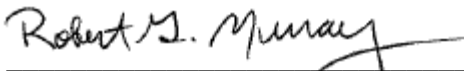
MANAGEMENT TEAM REPORTS:

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.

Compensation Study. Mr. Ackerman then briefly reviewed the results of the ECIDA compensation study that was undertaken to analyze the current ECIDA employee compensation and benefits program. The results were reviewed by ECIDA staff and the Compensation Committee and confirm that ECIDA employee compensation and benefits are consistent with the marketplace in general.

There being no further business, upon motion made by Dr. Rudnick, seconded by Ms. Holtz and unanimously carried, the meeting was adjourned at 9:42 a.m.

Dated: December 19, 2011



Robert G. Murray, Assistant Secretary