

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

**DATE AND PLACE:** October 17, 2011, at the Erie County Industrial Development Agency, 143 Genesee Street, Buffalo, New York 14203

**PRESENT:** Phil Ackerman, Barry Brandon, Hon. Byron W. Brown, Hon. Anthony F. Caruana, Hon. Chris Collins, Philip Corwin, James F. Doherty, Dennis Elsenbeck, Hon. David Franczyk, Michael Hoffert, Frank B. Messiah, Hon. Barbara Miller-Williams, Dr. Andrew J. Rudnick, Henry M. Sloma, and Hon. Barry Weinstein

**EXCUSED:** Hon. Mary F. Holtz, Michael Laipple, Richard Vogan, and Hon. Timothy J. Whalen

**OTHERS PRESENT:** Al Culliton, Chief Operating Officer; John Cappellino, Executive Vice President; Andrew Schoepich, Treasurer; David Kerchoff, Assistant Treasurer; Karen M. Fiala, Assistant 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 September 19, 2011 Meeting of the Members were presented, and upon motion made by Dr. Rudnick, and seconded by Mr. Hoffert, approval of the minutes was unanimously carried.

**REPORTS / ACTION ITEMS / INFORMATION ITEMS:**

Financial Report. Mr. Schoepich presented the September, 2011 financial statements, noting that the Agency is ahead of budget on a year to date basis with respect to revenues and expenses. There being no further comments, Mr. Ackerman directed that the financial report be received and filed.

At this point in time, Mr. Caruana joined the meeting.

Finance & Audit Committee Report. Mr. Corwin reviewed items discussed and actions taken at the October 11, 2011 Finance & Audit Committee meeting, specifically noting that the Finance & Audit Committee has recommended that the Agency adopt the

proposed 2012 Agency Budget, that the Agency adopt the proposed Agency 3-year forecast, that the Agency adopt the proposed 2012 UDAG Fund budget, and that the Agency adopt the proposed 5-Year capital budget.

At this point in time, Mr. Franczyk and Mr. Weinstein joined the meeting.

Mr. Schoeppich then reviewed the proposed 2012 operating budget for the Agency and 3 -year forecast, noting that Agency administrative fees are conservatively budgeted to remain flat for 2012, that Agency affiliate management fees are projected to increase due to anticipated increased loan demand and an increase in staff salary and benefits, that Agency Management Fees are projected to slightly increase as a result of additional Agency services to be provided to the Buffalo Urban Development Corporation, and that other items of Agency income related to the Agency's International Division are expected to slightly increase. On the expense side, Mr. Schoeppich noted projected increases in salaries and benefits, noted that professional services costs are projected to remain flat and that legal costs are expected to continue to decline as a result of the completion of various one-time assignments, that building operating costs are projected to decrease because the sale of the 275 Oak Street Complex to the Enterprise Charter School, and that marketing expenses are projected to increase in order to promote the Agency's economic development programs.

General discussion then ensued, and then Mr. Corwin moved, and Dr. Rudnik seconded, that the proposed 2012 Budget be approved. The motion was carried with Mr. Weinstein voting against the motion.

Mr. Corwin then moved, and Dr. Rudnik seconded, that the Agency's proposed 3-Year Forecast be approved. The motion was unanimously carried.

Mr. Corwin then moved, and Dr. Rudnik seconded, that the Agency approve the 2012 UDAG Fund Budget. The motion was unanimously approved.

Mr. Corwin then moved, and Dr. Rudnik seconded, that the Agency approve the 5-Year Capital Budget. The motion was unanimously approved.

Policy Update. Mr. Corwin noted that he met with John Cappellino in consideration of current Agency policies with respect to senior housing projects, retail projects, and enhancement zone projects, specifically noting that additional discussions will be undertaken in coordination with the Leadership Council. Mr. Cappellino also noted that the Agency will be undertaking a senior housing market study/demand study and that future senior housing projects will most likely need to contain certain housing amenities unique for seniors, and need to show that Agency incentives are being passed through to the residents. Mr. Cappellino also reviewed recent considerations of the Agency's adaptive reuse program, noting that the Agency is undertaking a review of the geographic areas in which the program has been utilized, coupled with a retail project analysis (the Buffalo Building and Reuse Plan) to identify if a retail focused corridor can be identified within which adaptive reuse retail projects could be more effectively encouraged. Mr. Hoffert queried if adaptive reuse policy changes would be binding on all six of Erie County's IDAs. Mr. Cappellino responded positively, noting that that any changes would be incorporated into the Countywide Uniform Tax Exemption Policy.

2011 Closing Schedule. Mr. Kerchoff reviewed the 2011 closing schedule. There being no comments, Mr. Kerchoff directed that the 2011 closing schedule be received and filed.

## **INDUCEMENT RESOLUTIONS**

The Martin Group, LLC / 477 Main Street, LLC - Lease/Leaseback – 477 Main Street, Buffalo, New York.

Ms. Fiala presented the inducement resolution for this adaptive reuse project for the renovation, rehabilitation and adaptive reuse of the facility located at 477 Main Street in Buffalo, New York. Upon motion made by Mayor Brown, and seconded by Mr. Franczyk, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF THE MARTIN GROUP, LLC AND 477 MAIN STREET LLC 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 (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

## **AMENDATORY INDUCEMENT RESOLUTIONS**

West Genesee Hotel Associates – Two Fountain Plaza, Buffalo, New York.

Ms. Fiala presented the amendatory inducement resolution for this project noting that the initial authorization must be amended in consideration of unanticipated increased project costs. Upon motion made by Dr. Rudnick, and seconded by Ms. Miller-Williams, 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 WEST GENESEE

HOTEL ASSOCIATES, L.P. PROJECT (AS MORE FULLY DESCRIBED  
BELOW)

**SPECIAL RESOLUTIONS:**

Perry's Ice Cream, Inc. – 1 Ice Cream Plaza, Akron, New York.

Ms. Fiala presented this special resolution allowing for the granting of a collateral mortgage in favor of ESL in an amount not to exceed \$4,000,000. Upon motion made by Mr. Weinstein, and seconded by Mr. Hoffert, the resolution was unanimously carried.

W.N.Y. Bus Parts, Inc. – 691 Bullis Road, Elma, New York.

Ms. Fiala presented this special resolution allowing for the granting of a \$500,000 increase in a collateral mortgage in favor of Five Star Bank. Upon motion made by Mr. Weinstein, and seconded by Mr. Hoffert, the resolution was unanimously carried.

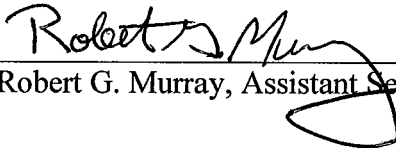
**MANAGEMENT TEAM REPORTS:**

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.

At this time, Dr. Rudnick and Mr. Weinstein left the meeting.

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

Dated: October 17, 2011

  
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Robert G. Murray, Assistant Secretary