

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

DATE AND PLACE: October 18, 2010, at the Erie County Industrial Development Agency, 275 Oak Street, Buffalo, New York 14203

PRESENT: Barry Brandon, Hon. Byron W. Brown, Hon. Anthony F. Caruana, Hon. Chris Collins, Philip Corwin, James F. Doherty, Hon. Michael Hoffert, Hon. Timothy M. Kennedy, Lawrence M. Meckler, Frank B. Mesiah, Michael Laipple, Dr. Andrew J. Rudnick, and Richard Vogan

EXCUSED: Philip C. Ackerman, Jonathan Dandes, David Franczyk, Hon. Mary F. Holtz, Hon. Barbara Miller-Williams, and Hon. Barry Weinstein

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

There being a quorum present at 9:23 a.m., the Meeting of the Membership of the Erie County Industrial Development Agency was called to order by Mr. Corwin.

MINUTES

The minutes of the September 13, 2010 Meeting of the Members were presented, and upon motion made by Dr. Rudnick, and seconded by Mr. Meckler, approval of the minutes was unanimously carried.

REPORTS

Financial Report. Mr. Schoeppich presented the financial reports for the month of September, 2010, noting, in particular, that Administrative Fees are well-behind budget. There being no further questions, Mr. Corwin directed that the financial report be received and filed.

INFORMATION ITEMS

2010 Closing Schedule. Mr. Kerchoff presented the year to date 2010 IRB closings, consisting of 18 projects. There being no further questions, Mr. Corwin directed that the report be received and filed.

ILDC/RDC Loan Status Report. Mr. Kerchoff presented the report dated as of October 13, 2010, showing that in the last 30 days three micro loans closed and three ILDC loans were approved, and noting that more than \$800,000 in loans have been approved and are moving toward closing. There being no further questions, Mr. Corwin directed that the report be received and filed.

2011 ECIDA Board Meeting Schedule. Mr. Culliton presented the list of meeting dates for 2011. There being no further questions, Mr. Corwin directed that the schedule be received and filed.

Finance & Audit Committee Report. Mr. Schoeppich provided a summary of the Finance & Audit Committee meeting of October 1, 2010, whereat the Committee approved, and recommends the following items for adoption by the Agency: (1) 2011 Operating and Capital Budget and Three Year Forecast; and (2) Audit firm one-year contract extension for Toski Schaefer & Co. There being no further questions, Mr. Corwin directed that the report be received and filed.

Upon motion made by Dr. Rudnick, and seconded by Mr. Meckler, Toski Schaefer & Co., one-year contract extension was approved.

SPECIAL RESOLUTIONS

Graphic Controls, LLC – Loan Authorization– 400 Exchange Street, Buffalo, NY

Ms. Fiala presented this \$10,000,000 financing project from RBS Citizens, N.A. for a project originally closed in 2000 for the construction of a 230,000 square foot manufacturing, office and warehouse facility, and the assignment of the project from Graphic Controls, LLC to Graphic Controls Acquisition Corp. There being no further questions, upon motion made by Mr. Meckler, seconded by Dr. Rudnick, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE REQUEST OF GRAPHIC CONTROLS ACQUISITION CORP., AS ASSIGNEE OF GRAPHIC CONTROLS, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING IN AN AMOUNT UP TO \$10,000,000, CONDITIONED UPON STATE APPROVAL AS OUTLINED IN (iv); (iv) AUTHORIZING THE ASSIGNMENT OF A CERTAIN GRANT AGREEMENT AND A CERTAIN EQUIPMENT LEASE AGREEMENT FROM GRAPHIC CONTROLS, LLC TO THE COMPANY, CONDITIONED UPON THE CONSENT OF NEW YORK STATE DEPARTMENT OF ECONOMIC DEVELOPMENT ("NYSED") TO SUCH ASSIGNMENT; AND

(v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF RELATED DOCUMENTS

At this point, Mayor Brown joined the meeting.

TENANT APPROVALS

Benderson/Cedar Key Project– 505 Duke Road, Cheektowaga, NY

Ms. Fiala presented this approving resolution for AAA Western and Central New York, Inc. to sublease approximately 39,000 square feet of the Benderson/Cedar Key Project facility. There being no further questions, upon motion made by Mr. Hoffert, seconded by Mr. Meckler, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) APPROVING OF A SUBLEASE BETWEEN CEDAR KEY ASSOCIATES, L.P. AND AAA WESTERN AND CENTRAL NEW YORK, INC. OF A PORTION OF THE PREMISES LOCATED AT 505 DUKE ROAD, IN THE TOWN OF CHEEKTOWAGA, SUCH SUBLEASE TO CONTAIN SUCH TERMS AND PROVISIONS AS REQUIRED BY COUNSEL TO THE AGENCY; AND ii) PROVIDING CONSENT TO SAID SUBLEASE CONDITIONED UPON THE EXECUTION OF AN AMENDMENT TO THE UNDERLYING AGENCY LEASE AGREEMENT DATED AS OF APRIL 1, 2006

Sonwil Distribution Center, Inc. –456 Sonwil Drive, Cheektowaga, NY

Ms. Fiala presented this request for tenant approval for Mirion Technologies (Conax Nuclear, Inc). to sublease space at the Sonwil Distribution Center, Inc. project. There being no further questions, upon motion made by Mr. Meckler, seconded by Dr. Rudnick, the approval was unanimously carried.

ACTION ITEMS

Approval of the 2011 Operating & Capital Budget and 3 Year Forecasts

Mr. Schoepich presented the 2011 Operating & Capital Budget and 3 Year Forecast, and discussed that Agency's Global Gateway, Marketing & Community Outreach, Entrepreneurship & Innovation, Organization Structure, and Speed to Market Initiatives. A discussion ensued regarding the aforementioned initiatives and sources of income for the Agency, confirming its primary source of income is through administrative fees. There being no further questions, upon motion made by Dr. Rudnick and seconded by Mr. Hoffert, the 2011 Operating & Capital Budget and 3 Year Forecast was unanimously approved.

Authorizing the Adoption of the CEDS Plan. Mr. Culliton presented the board with this administrative matter for final approval, thanking all those involved with the development

of this Comprehensive Economic Development Strategy ("CEDS") Plan. There being no further questions, upon motion made by Mr. Caruana, seconded by Mr. Hoffert, the following resolution, a copy of which is attached to these minutes, was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "ECIDA" OR THE "AGENCY") RATIFYING RECOMMENDATIONS AND REVISIONS WITH REGARD TO THE REGIONAL COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY ("CEDS"), AS PROPOSED BY THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY COMMITTEE

Buffalo Brownfield Fund Assignment. Mr. Schoepich presented this resolution to the members authorizing the Agency, as Fund Administrator for the Buffalo Brownfield Redevelopment Fund (the "Fund"), on behalf of the Buffalo Urban Development Corporation ("BUDC"), to place certain restriction on the Fund and to assign the Fund to KeyBank. This action will enable BUDC to secure its loan from KeyBank to fund a BUDC road construction project at the Buffalo Lakeside Commerce Park. There being no further questions, upon motion made by Mr. Brown, seconded by Dr. Rudnick, the resolution, as attached to these minutes, was unanimously approved.

INDUCEMENT RESOLUTIONS

1238 Group, LLC/Tapestry Charter School – Lease/Leaseback – 65 Great Arrow Drive, Buffalo, NY

Ms. Fiala presented this \$7,579,066 project for sales tax, mortgage recording tax and real property tax exemption in connection with the construction and/or renovation, expansion, upgrading and equipping of a commercial building for the operation of a charter school. There being no further questions, upon motion made by Mr. Brown, seconded by Dr. Rudnick, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 1238 GROUP, 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/OR RENOVATION AND EQUIPPING OF THE PROJECT, AND (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH A PAYMENT-IN-LIEU-OF-TAX 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,
PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED
DOCUMENTS

Alliance Advisory Group, Inc./600 Delaware, LLC – Lease/Leaseback – 600 Delaware Avenue, Buffalo, NY

Ms. Fiala presented this \$2,750,000 Adaptive Reuse project for a mortgage recording tax benefit in connection the acquisition of, and occupancy of, this vacant structure by Alliance Advisory Group. In satisfying the Agency's Uniform Tax Exemption Policy's intermunicipal move requirements, Mr. Cappellino noted that the Town of Amherst was very cooperative when discussing the intermunicipal move by the applicant. There being no further questions, upon motion made by Mr. Brown and seconded by Mr. Hoffert, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF ALLIANCE ADVISORY GROUP, INC. AND 600 DELAWARE, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (iii) AUTHORIZING THE NEGOTIATION AND EXECUTION RELATED DOCUMENTS

LCo Building, LLC/U Building – Lease/Leaseback – 600 Delaware Avenue, Buffalo, NY

Ms. Fiala presented this \$8,418,265 project for sales tax, mortgage recording tax and real property tax abatements in connection with the Adaptive Reuse of this facility for commercial purposes. Mr. Brown and Dr. Rudnick commented on the positive aspects of this project. There being no further questions, upon motion made by Mr. Brown and seconded by Mr. Hoffert, the following resolution was unanimously carried:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF LCO BUILDING, 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/OR RENOVATION AND EQUIPPING OF THE PROJECT, AND (B)

A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH A PAYMENT-IN-LIEU-OF-TAX 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, PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

AMENDATORY INDUCEMENT RESOLUTIONS

4858 Group, L.P. – Lease/Leaseback –Main Street and Pearl Street, Buffalo, NY

Ms. Fiala presented this project which the Agency approved on April 12, 2010 for the redevelopment of the former Baker Shoe complex and the request to now include a portion of the facility located at 460 Main Street in the project. There being no further questions, upon motion made by Mr. Brown and seconded by Dr. Rudnick, the following resolution was unanimously carried:

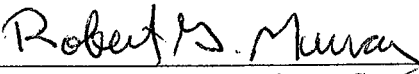
AMENDED AND RESTATED RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 4858 GROUP, L.P., FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, 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/OR RENOVATION AND EQUIPPING OF THE PROJECT, AND (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH A PAYMENT-IN-LIEU-OF-TAX 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, PAYMENT-IN-LIEU-OF-TAX AGREEMENT AND RELATED DOCUMENTS

MANAGEMENT TEAM REPORTS

Media/Press Coverage. Mr. Culliton highlighted recent media coverage regarding the Agency.

There being no further business, upon motion made by Mr. Mesiah, and seconded by Mr. Hoffert, and unanimously carried, the meeting was adjourned at 9:41 a.m.

Dated: October 18, 2010



Robert G. Murray, Assistant Secretary