

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

DATE AND PLACE: July 28, 2021 at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203.

LIVE STREAMED: This meeting is being live-streamed and made accessible on the ECIDA’s website at www.ecidany.com.

PRESENT: Denise Abbott, Rev. Mark E. Blue, Hon. Joseph Emminger, Hon. Howard Johnson, Hon. Brian Kulpa, Richard Lipsitz, Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, Sister Denise Roche, Kenneth A. Schoetz and Paul Vukelic

EXCUSED: Hon. Diane Benczkowski, Hon. Bryon W. Brown, James Doherty, Dottie Gallagher, Tyra Johnson and Renee Wilson

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Karen M. Fiala, Vice President/Secretary; Gerald Manhard, Chief Lending Officer; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocienec, Administrative Coordinator; Robbie Ann McPherson, Director, Marketing & Communications, Lori Szewczyk, Director of Grants; Sean Fallon, Project Manager and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

GUESTS: Deputy County Executive Maria Whyte; Andrew Federick, Erie County Senior Economic Development Specialist; James Panepinto on behalf of Pinto Construction; Tom Rybicki on behalf of Polymer Conversions; Olivia Hill on behalf of Invest Buffalo Niagara; James Fink on behalf of Business First; Jessica Corrigan, Mauricio Perez and Bokola Mallia on behalf of BECWIB

There being a quorum present at 12:05 p.m., the Meeting of the Board of Directors of the Erie County Industrial Development Agency was called to order by Chair McDuffie.

MINUTES

The minutes of the June 23, 2021 meeting of the members were presented. Mr. Poloncarz moved and Mr. Nellis seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic noted that the ECIDA finished the month of June with total assets of \$29.1M and net assets were \$20.7M. The monthly income statement shows an overall net loss of \$90,000 for June. Operating revenues of \$216,000 were short of our monthly budgeted total by \$7,000. Operating expenses of \$196,000 were under budget by \$21,000. Under Special Project Grants, \$99,000 of PPE grant funds were disbursed to 18 grantees in June. The year-to-date Income Statement shows revenues of \$1.5M, including administrative fee revenue of \$1.1M. Through June, the Agency has recognized 62% of our annual budgeted administrative fees. Expenses of \$1.2M are \$69,000 below budget. Special project grants, including EDA CARES Act funding, passed through to RDC of \$3.2M and distributions of PPE grant funding. Ms. Profic pointed out that the \$1M allocated for the PPE grant program was done so out of the IDA's excess general funds that had built up over the years, essentially coming out of the savings account. Ms. Profic stated that because those grants must be expensed in the current year, we can expect to continue to see a net loss going forward. Similarly, strategic initiatives are funds that have been Board approved to use from UDAG funds. After taking into account the strategic initiatives and depreciation, there is currently a net loss of \$345,000 for the year.

At this point in time Mr. Emminger joined the meeting.

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

Ms. McDuffie directed that the report be received and filed.

2021 Tax Incentive Induced/Closing Schedule/Estimated Real Property Tax Impact. Ms. Fiala presented this report. Ms. McDuffie directed that the report be received and filed.

ECIDA's COVID-19 Disaster Emergency Grant Program Conclusion. Ms. O'Keefe presented an update to members noting the grant program has now expired as the authority to provide grants expired when the COVID-19 State of Emergency declaration was terminated by Governor Cuomo.

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

Mr. Poloncarz commended ECIDA staff for their efforts to provide grants to Erie County businesses.

Ms. McDuffie directed that the report be received and filed.

Approval of Resolution to Request Release of Federal Interest in the RDC Loan Fund. Mr. Manhard described the Federal EDA release of its interest in the Revolving Loan Funds.

Mr. Pridgen moved and Mr. Nellis seconded to approve of the resolution with regard to releasing the EDA's federal interest in the RDC Loan Fund. Ms. McDuffie called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "RLF BOARD" OR "AGENCY") REQUESTING THE RELEASE OF THE ECONOMIC DEVELOPMENT ADMINISTRATION (THE "EDA") INTEREST IN THE REVOLVING LOAN FUND

Approval of Resolution to Contract with Consultant to Prepare the Comprehensive Economic Development Strategy (CEDS) Update. Ms. Szewczyk described the CEDS Plan requirements for the ECIDA and Federal grant applicants within Erie County and the need for ECIDA to engage a consultant to assist with developing the updated CEDS Plan.

Mr. Poloncarz moved and Mr. Lipsitz seconded to approve of the resolution with regard to engaging a consultant to prepare updates to the CEDS Plan. Ms. McDuffie called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE AGENCY (i) TO ENTER INTO A CONTRACT WITH MRB GROUP TO PROVIDE ECONOMIC DEVELOPMENT CONSULTING SERVICES TO PREPARE THE 2022-2026 CEDS UPDATE AND ECONOMIC RECOVERY PLAN AND (ii) TO CONTRACT WITH THE U.S. ECONOMIC DEVELOPMENT ADMINISTRATION TO RECEIVE A LOCAL TECHNICAL ASSISTANCE PROGRAM GRANT AWARD TO FUND THE 2022-2026 CEDS UPDATE AND ECONOMIC RECOVERY PLAN

Policy Committee Update. Mr. Lipsitz presented the report of the most recently held Policy Committee meeting. Ms. McDuffie directed that the report be received and filed.

INDUCEMENT RESOLUTIONS

132 Dingens Street, LLC, 132 Dingens Street, Buffalo, New York. Ms. Fiala reviewed this proposed sales tax exemption, mortgage recording tax exemption, and real property tax abatement benefit project which consists of the construction of an 81,000 sq. ft. facility for lease to warehouse/distribution/light manufacturing tenants.

Mr. Poloncarz expressed support of the project and thanked the applicant for its investment.

As a condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as

described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$6,332,500 (which represents the product of 85% multiplied by \$7,450,000, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 20 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance; and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 20 FTE employees [representing the product of 85% multiplied by 23 (being the 2 new FTE employee positions proposed to be created by the Company as stated in its Application)]. In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Mr. Lipsitz and Ms. McDuffie commended the applicant for its MWBE efforts and initiatives.

Mr. Poloncarz moved and Mr. Johnson seconded to approve the Project. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 132 DINGENS ST, LLC, PINTO CONSTRUCTION SERVICES, INC. AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, 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 BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Polymer Conversions, Inc., 5732 Big Tree Road, Orchard Park, New York. Ms. Fiala reviewed this proposed sales tax exemption, mortgage recording tax exemption, and real property tax abatement benefit project which consists of the current 39,000 sq. ft. facility to be expanded by 41,000 sq. ft.

As a condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$12,112,500 (which represents the product of 85% multiplied by \$14,250,000, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 125 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 138 FTE employees [representing the sum of (x) 125 Baseline FTE and (y) 13 FTE employees, being the product of 85% multiplied by 15 (being the 15 new FTE employee positions proposed to be created by the Company as stated in its Application)]. In an effort to confirm and verify the Company's employment numbers, the Agency

requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's "Quarterly Employment Survey" form to be made available to the Company by the Agency.

- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Sister Denise moved and Mr. Vukelic seconded to approve the Project. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

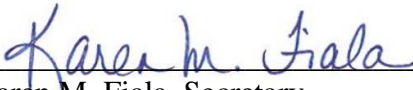
RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF POLYMER CONVERSIONS, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN 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 BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

MANAGEMENT TEAM REPORT

Mr. Cappellino thanked the RDC Loan Committee members for their efforts related to COVID-19 relief loans and thanked the ECIDA Board for assisting with the PPE grant program.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 12:30 p.m.

Dated: July 28, 2021



Karen M. Fiala, Secretary