

**MINUTES OF A MEETING OF THE  
POLICY COMMITTEE OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

- MEETING:** January 7, 2021, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), meeting held via phone conference. Governor Cuomo’s Executive Order 202.1, as amended from time to time, issued in response to the Coronavirus (COVID-19) crisis, suspended Article 7 of the Public Officers Law to the extent necessary to permit any public body to take actions without permitting in public in-person access to such meetings and authorized such meetings to be held remotely by conference call or other similar service, provided the public has the ability to view or listen to such proceedings and that the meeting is recorded and transcribed.
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency’s website at [www.ecidany.com](http://www.ecidany.com).
- PRESENT:** April Baskin; Rev. Mark Blue; Johanna Coleman; Colleen DiPirro; Hon. William Krebs; Richard Lipsitz; Brenda W. McDuffie; Glenn Nellis; Laura Smith; David State; Lavon Stephens and Maria Whyte
- EXCUSED:** Denise Abbott; Bryon W. Brown and Richard Cummings
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Karen M. Fiala, Vice President/Secretary; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Coordinator; Beth O’Keefe, Business Development Officer; Atiqah Abidi, Assistant Treasurer; Robbie Ann McPherson, Director of Marketing and Communications; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Lisa Hicks on behalf of the City of Buffalo; Alex Carducci on behalf of the City of Buffalo; Sara Sperrazza on behalf of Thermo Fisher; Scott Versot on behalf of Thermo Fisher; Steve Schrader on behalf of Thermo Fisher; Peter Bordonaro on behalf of Calspan; Peter Sauer on behalf of Calspan; Steve Calzi on behalf of Eastman Machine Company; Morgan Morreale on behalf of Pine Pharmaceutical; Alfonse J. Muto, Jr. on behalf of Pine Pharmaceutical; David Pawlik on behalf of 72 East Niagara, LLC; Jose Guillermo Rodriguez on behalf of Sucro Real Estate and Richard Stanton on behalf of the City of Lackawanna

There being a quorum present at 9:01 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

**MINUTES**

The minutes of the December 8, 2020 Policy Committee meeting and December 10, 2020 Special Policy Committee meeting were presented. Upon motion made by Ms. DiPirro and seconded by Mr. Krebs, the aforementioned Policy Committee meeting minutes were then unanimously approved.

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency’s Project Matrix. Mr. Lipsitz directed that the report be received and filed.

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

**PROJECT PRESENTATIONS**

72 East Niagara Street, LLC, 72 East Niagara Street, Tonawanda, New York. Mr. Cappellino presented this proposed real property tax abatement benefit project involving the adaptive re-use of a former church and school building in the City of Tonawanda into 14, 1-and 2-bedroom apartments, along with 4,000 sq. ft. of commercial space. The apartments will be available to residents at or below 80% of the average median income (AMI).

At this point in time, Ms. McDuffie, Ms. Whyte and Ms. Baskin joined the meeting.

Mr. Cappellino stated that in exchange for providing the real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$2,836,736 85% = \$2,411,225
Employment	Coincides with 7-year PILOT	Maintain base = 17 Create 85% of Projected Projected = 3 85% = 2 Recapture Employment: 19
Local Labor	Construction Period	Adherence to policy including quarterly reporting

Pay Equity	Coincides with 7-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to policy
Recapture Period	Coincides with 7-year PILOT	Recapture of real property taxes

Mr. Blue moved and Mr. Krebs seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Calspan Corporation, LLC, 40 Sonwil Drive, Cheektowaga, New York. Ms. Fiala presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the acquisition of a 65,000 sq. ft. existing facility which will house two highly precise and powerful test stands which will be utilized to evaluate automotive restraints, seating and interior equipment according to domestic and international safety standards.

Ms. Smith spoke in favor of the project.

Ms. McDuffie spoke in favor of the project.

Ms. Whyte spoke in favor of the project.

Ms. Fiala stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

### Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$13,500,000 85% = \$11,475,000
Employment	Coincides with 10-year PILOT	Maintain base = 144 FTE Create 85% of Projected Projected = 20 85% = 17 Recapture Employment = 161
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy

Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes
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Ms. McDuffie moved and Ms. Whyte seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Eastman Machine Company, 775 & 779 Washington Street, Buffalo, New York. Mr. Cappellino presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an approximately 7,400 sq. ft. expansion to the company's existing 130,000 sq. ft. facility. The planned use for the space includes storage for purchased items that are to be used in the assembly process.

Mr. Cappellino stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

#### **Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$1,665,000 85% = \$1,415,250
Employment	Coincides with 7-year PILOT	Maintain base = 126 Create 85% of Projected Projected = 3 85% = 2 Recapture Employment = 128
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to policy
Recapture Period	Coincides with 7-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Mr. Blue moved and Ms. Smith seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Life Technologies Corporation-North Expansion (subsidiary of Thermo Fisher Scientific, Inc.), 3175 Staley Road, Grand Island, New York. Ms. Fiala presented this proposed sales tax and real property tax abatement benefits project involving the construction of an approximately

69,000 sq. ft. expansion to the company’s existing 300,000 sq. ft. facility. The new facility will be utilized for the production of liquid animal origin free (AOF) liquid media products. The company will also be adding approximately \$36M in manufacturing equipment in order to increase production capacity.

Ms. Fiala stated that in exchange for providing the sales and use tax and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$85,000,000 85% = \$72,250,000
Employment	Coincides with 10-year PILOT	Maintain base = 807 Create 85% of Projected Projected = 60 85% = 51 Recapture Employment = 858
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes and real property taxes

Ms. McDuffie spoke in favor of the project but questioned as to where the company sources workforce and if workers have challenges accessing the facility.

Mr. Schrader, on behalf of Thermo Fisher, stated the company searches throughout the area and he is not aware of any transportation issues.

Mr. Stephens expressed support for the project.

Mr. Blue moved and Ms. McDuffie seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Pine Pharmaceuticals, LLC, 355 Riverwalk Parkway, Tonawanda, New York. Ms. Fiala presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an approximately 50,000 sq. ft. expansion to the

company's existing 25,000 sq. ft. facility in the Riverview Solar Technology Park. Since the company is a sterile compounder, significant purchases will be made to equip new cleanrooms.

Ms. Fiala stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$8,615,000 85% = \$7,322,750
Employment	Coincides with 10-year PILOT	Maintain base = 80 FTE Create 85% of Projected Projected = 40 85% = 34 Recapture Employment = 114
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Smith spoke in favor of the project.

Mr. Blue queried as to types of jobs to be created. Mr. Muto, on behalf of Pine Pharmaceuticals, responded that the company will be looking to hire quality control and warehousing employees, and noted that the company advertises locally for new hires.

Ms. McDuffie moved and Mr. Blue seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Sucro Real Estate NY, LLC, 2303 Hamburg Turnpike, Lackawanna, New York. Mr. Cappellino presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the renovation of two existing buildings on the former Bethlehem Steel site. The existing buildings encompass approximately 174,600 sq. ft. In addition, the company will construct a new 33,600 sq. ft. facility and purchase approximately \$6M of production equipment. The buildings will accommodate new bulk and finished product storage, logistical operations as well as sugar refining operations.

Mr. Cappellino stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$19,000,000 85% = \$16,150,000
Employment	Coincides with 10-year PILOT	Maintain base = 5 Create 85% of Projected Projected = 45 85% = 38 Recapture Employment = 43
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Whyte spoke in favor of the project and thanked the City of Lackawanna for its good work in securing this new investment.

Ms. Whyte moved and Mr. Blue seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

**MWBE UPDATE**

Ms. Whyte provided members with an update on the MWBE ad-hoc working committee.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:57 a.m.

Dated: January 7, 2021

  
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 Karen M. Fiala, Secretary