

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

- MEETING:** June 22, 2022
- LIVE STREAMED:** This meeting is being live-streamed and made accessible on the ECIDA’s website at www.ecidany.com.
- PRESENT:** Denise Abbott, Hon. Diane Benczkowski, Rev. Mark E. Blue, Hon. Bryon W. Brown, Dottie Gallagher, Michael Hughes, Hon. Howard Johnson, Hon. Brian Kulpa, Richard Lipsitz, Hon. Glenn R. Nellis, Kenneth A. Schoetz and Paul Vukelic
- EXCUSED:** James Doherty, Hon. Joseph Emminger, Tyra Johnson, Brenda W. McDuffie, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, and Renee Wilson
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer/Assistant Secretary; Atiqa Abidi, Assistant Treasurer; Gerald Manhard, Chief Lending Officer/Assistant Secretary; Andrew Federick, Business Development Officer, Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; Sean Fallon, Project Manager; Robbie Ann McPherson, Director of Marketing & Communications; Pat Smith, Senior Bookkeeper; Lori Szewczyk, Director of Grants; Phil Riggs, Rail & Site Management and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Maria Whyte, Erie County; Zachary Evans, Erie County; Alex Carducci on behalf of the City of Buffalo; Julius Aebly on behalf of A&A Associates; Paul D’Orlando on behalf of Erie County; Dan Castle on behalf of Erie County and Denise M. Juron, on behalf of Uniland

There being a quorum present at 12:03 p.m., the meeting of the members of the Erie County Industrial Development Agency (the “ECIDA” or “Agency”), was called to order by Vice Chair, Mr. Lipsitz, who presided over the meeting in the absence of Chair McDuffie.

Mr. Lipsitz welcomed new member, Michael Hughes, who is the new chair of the NFTA, and as such, and is replacing Sister Denise as a member of the ECIDA. Mr. Lipsitz also thanked Sister Denise for her service.

MINUTES

The minutes of the April 27, 2022 meeting of the members were presented. Mr. Blue moved and Ms. Benczkowski seconded to approve of the minutes. Mr. Lipsitz called for the vote and the minutes were unanimously approved.

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

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the May 2022 financial report. The balance sheet shows the month ended with total assets of \$29.8M (includes unrestricted cash of \$7.5M available for Agency operations) and net assets of \$20.5M. The monthly income statement shows net loss of \$140,000 for May. Operating revenue of \$136,000 was below the monthly budget by \$87,000, due mainly to timing of administrative fees received during the month. Operating expenses of \$241,000 were about \$14,000 over our monthly budget. Variances in Public Hearings and Marketing were due to timing of events and professional Services due to consulting costs associated with annual reporting. Under Special Project Grants, \$4,000 of net revenue was recognized in May. After strategic investments and depreciation, there was a net loss of \$140,000 for the month. The year-to-date Income Statement shows revenues of \$749,000, including administrative fee revenue of \$415,000. We are at about 22% of our 2022 annual budget through May. Expenses of \$1.2M are \$5,000 above budget, this is due mainly to CEDS update costs recognized in 2022 which are included in Professional Services. Special project grant revenue nets to \$146,000. After strategic investments and depreciation, there is currently a net loss of \$441,000 for the year. Mr. Lipsitz directed that the report be received and filed.

Governance Committee Update. Ms. Profic advised the joint Governance Committee meeting was held on June 2, 2022. The ECIDA/RDC/ILDC's current agreements with legal counsel for general, tax-exempt bonds and loan counsel (both primary and conflict counsels) were discussed and the Committee approved extensions for one-year through May 2023, under the terms of the current contracts in place. Mr. Lipsitz directed that the report be received and filed.

2022 Tax Incentive Induced/Closing Schedule. Mr. Cappellino presented this report to the members. Mr. Lipsitz directed that the report be received and filed.

Approval of Resolution to Receive UDAG Funds for CAMU Area Development Plan. Mr. Cappellino discussed the contemplated grant for purposes of undertaking a landscaping/passive use recreation plan, on lands potentially to be acquired by the ILDC adjacent to lands within the RCP currently owned by the ILDC, as an amenity for ILDC RCP tenants and for the benefit of residents of the City of Lackawanna.

Mr. Johnson moved and Mr. Vukelic seconded to approve of the use of the ECIDA UDAG grant funds for the CAMU Area Development Plan. Mr. Lipsitz called for the vote, and the following resolution was unanimously approved.

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT
AGENCY ("AGENCY") TO ENTER INTO A FUNDING AGREEMENT WITH

THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION TO GRANT UP TO \$75,000 IN THE FORM OF A GRANT FROM THE AGENCY'S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT ("UDAG") REFLOW FUND

Policy Committee Update. Mr. Lipsitz provided members with an update of the most recently completed Policy Committee meeting. Mr. Lipsitz directed that the report be received and filed.

INDUCEMENT RESOLUTION

A&A Union Road LLC, 1471 Union Road, West Seneca, New York. Mr. Cappellino reviewed the proposed sales tax exemption, mortgage recording tax exemption and real property tax benefit project which consists of the construction of a 6,000 sq. ft. professional office building to improve operating efficiencies and offer an updated state of the art office environment.

Ms. Gallagher stated she would not be voting in favor of the project because she believes incentivizing new office space construction is something to be analyzed within the larger context of current available space in existing office buildings. General discussion ensued.

No motion was made to approve the project.

Mr. Kulpa queried if the Board can send back to Policy Committee for consideration of the foregoing.

Mr. Cappellino stated ECIDA has a practice of approving eligible projects that were submitted under current, policies, and if the Board desires to change its policy, it can do so as well, so one option is to approve of this project under current eligible policies, and then the Board can review and consider revising its policies.

Mr. Kulpa stated the Board may need to consider a new policy in recognition of changes to the office building/project, to better address office end users.

Mr. Nellis motioned to approve of the Project as proposed and refer the general office issue back to the Policy Committee to consider a new office space policy. Mr. Blue seconded the motion.

Mr. Brown stated that he believes it is better to table the project and send back to the Policy Committee rather than perhaps having the motion fail.

Mr. Schoetz stated that he agreed that the Project as proposed should go back to the Policy Committee for additional consideration, and that he would be voting no on the motion.

Mr. Lipsitz asked if the motion could be amended to refer the Project back to the Policy Committee and ask the Policy Committee to clarify its position of an office policy.

Mr. Nellis agreed to amend the resolution motion and Mr. Blue agreed to amend the resolution.

Mr. Kulpa then made the motion to refer the Project back to the Policy Committee so the Policy Committee can review the ECIDA office policy. Mr. Hughes seconded the motion. Mr. Lipsitz called for the vote, and the motion was unanimously approved.

Mr. Cappellino noted 25-year ECIDA employee, Phil Riggs, will be retiring. Mr. Cappellino informed members of Mr. Riggs project history and his railroad work. Mr. Cappellino thanked Mr. Riggs for his service and thanked him for all his excellent work.

Mr. Cappellino also introduced and welcomed new ECIDA Compliance Portfolio Officer, Soma Hawramee, to the Agency.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting of the Agency at 12:57 p.m.

Dated: June 22, 2022



Elizabeth A. O'Keefe, Secretary