

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

DATE AND PLACE: September 14, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Denise Abbott, Hon. April Baskin, Rev. Mark E. Blue, Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Laura Smith; David J. State; and Lavon Stephens

EXCUSED: Hon. A.J. Baynes; Hon. Bryon W. Brown; Dr. Susan McCartney; Hon. Glenn R. Nellis, Hon. John Tobia and Paul Vukelic

OTHERS PRESENT: John Cappellino, President and Chief Executive Officer; Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; and Robert G. Murray, General Counsel/Harris Beach PLLC

GUESTS: Alex Carducci on behalf of the City of Buffalo; Danielle Robillard on behalf of Aakron Rule Corporation; Rachel Heckl, Joseph Makowski on behalf of 467 Richmond Avenue, LLC and Mark Sadkowski on behalf of Life Technologies

There being a quorum present at 9:06 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the August 3, 2023, Policy Committee meeting were presented. Upon motion made by Mr. Blue to approve of the minutes, and seconded by Ms. McDuffie, the Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

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

COMPLIANCE MATTERS

Aakron Rule Corporation. Mr. Cappellino noted that, per the ECIDA's Recapture Policy, and based on continuing Covid-19 pandemic impacts, the Chair and staff believe, in this case, that it would be beneficial for the company to discuss its current employment status and continued efforts and strategies to obtain new employees. Ms. Robillard spoke on behalf of the company and described Covid-19 pandemic impacts including, the fact that the business was shut down and it lost most of its workforce, how the overall post-pandemic landscape continues to impact the company's hiring efforts, efforts to attract and retain workforce, and to stabilize and grow the business.

General discussion ensued. Ms. McDuffie thanked Ms. Robillard for describing the company's efforts to find and hire employees, stating it is important for the company's challenges and efforts to be heard.

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

467 Richmond Avenue/REVPAC. Mr. Cappellino described the Company's project as approved by the ECIDA in June of 2017, including the investment, incentives and the Company's job retention and creation requirements. Mr. Cappellino gave a status update, noted that the Company began using ECIDA sales tax benefits in late 2018, and then the Covid-19 pandemic impacts were felt by the company and ultimately halted the project. The project is incomplete and is currently 66% below its employment retention requirements. Presently, the project is not completed or open, but a portion of the originally approved sales tax exemption benefits have been provided to the Company.

Ms. Heckl spoke on behalf of the Company and she reviewed the project's status, the Company's expenditures, to date, to undertake the project, noting the project was halted during the Covid-19 pandemic and that, post-Covid, the project's costs have skyrocketed. Ms. Heckl stated that the project is about 50% completed and over \$5 million has been invested. Ms. Heckl also confirmed that the Company has identified a new lender.

At this point in time, Mr. Evans left the meeting.

Mr. Makowski, attorney for the Company, next stated that he hopes to have a new lender commitment letter shortly, to allow the project to go forward. He also asked if the Policy Committee will allow more time for the company to secure lending commitments to allow the project to move forward.

Ms. Heckl also stated that the City of Buffalo Section 485-a real property tax exemption benefit may no longer be available to the Company, and the Company may need to seek an IDA PILOT Agreement.

Ms. Smith spoke in favor of amending the existing project assuming new bank financing is obtained.

General discussion ensued.

Ms. Heckl stated that the commitment letter is anticipated within 45-60 days, and the City of Buffalo should make its 485-a eligibility determination within that same time period.

Mr. Blue moved to provide the Company with a 60-day time period to obtain a financing commitment and to obtain a City of Buffalo 485-a RRTL eligibility determination.

The Committee discussed the motion, and consensus emerged that the Committee would look to amend and extend the project approval if the financing commitment and City real property tax abatement were both obtained.

Ms. Abbott seconded the motion. Mr. Lipsitz called for the vote and the motion was unanimously approved.

Life Technologies Corporation. Mr. Cappellino reviewed the Life Technologies West expansion project, and noted that although the construction proceeded during the Covid-19 pandemic, it was only able to utilize 88.3% local labor, just short of the 90% requirement, resulting in a 1.7% shortfall. Mr. Cappellino confirmed that the shortage was due to a lack of local labor being otherwise available to work on the project.

Ms. McDuffie moved and Mr. Blue seconded the motion to waive the local labor policy at the 90% level based on the Company's 88.3% local labor rate and due a lack of local labor availability. Mr. Lipsitz called for the vote and the project was then unanimously approved.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:19 a.m.

Dated: September 14, 2023



Elizabeth A. O'Keefe, Secretary