

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)**

Joint Finance & Audit Committee Meeting

August 17, 2017
at 12:00 PM

1. Approval of Minutes – May 15, 2017 (ECIDA, RDC, ILDC) (Action) (Pages 2-3)
2. Banking Services RFP Recommendation (Action) (Handout)
3. ILDC – Bethlehem Steel Site transaction update (Informational) (Page 4)
4. Financial Report (Informational) (Page 5)
5. New Business (Informational)
6. Adjournment

**MINUTES OF A JOINT MEETING OF THE
FINANCE & AUDIT COMMITTEES OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA or AGENCY)
THE BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT
CORPORATION (RDC) AND THE BUFFALO & ERIE COUNTY INDUSTRIAL
LAND DEVELOPMENT CORPORATION (ILDC)**

- MEETING:** May 15, 2017, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203
- PRESENT:** Penny Beckwith, James F. Doherty, Hon. Joseph H. Emminger, Hon. Glenn R. Nellis; Sister Denise Roche, Michael Szukala and William Witzleben
- ABSENT:** None.
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President, Mollie Profic, Treasurer, Karen M. Fiala, Assistant Treasurer; and Robert G. Murray, Secretary
- GUESTS:** Christopher Andreucci, Harris Beach; Eric Klapper, Tapestry Charter School

At 12:09 p.m., there being a quorum present, Mr. Szukala called the meeting to order.

MINUTES

The April 18, 2017 minutes of the joint meeting of the Committee were presented. Upon motion made by Mr. Doherty, and seconded by Mr. Nellis, the April 18, 2017 minutes of the Committee were unanimously approved.

At this point in time, Mr. Witzleben and Ms. Beckwith joined the meeting.

TAPESTRY CHARTER SCHOOL BOND ISSUANCE

Mr. Cappellino reviewed the Tapestry Charter School request for the ILDC to issue up to \$35,000,000 in bonds to allow the charter school to: (1) refinance certain outstanding commercial loans in the approximate amount of \$12,200,000; (2) to finance the cost of demolition of an existing structure upon land that is owned by the charter school and is contiguous to the existing facility and the subsequent construction of a new 3-story approximately 60,000 sq. ft. building and equipping and furnishing of the addition; (3) to fund a debt service reserve fund; and (4) to pay certain costs related to issuance of the Series 2017 bonds. Mr. Cappellino noted the charter school has agreed to the ILDC's local labor and public works requirements. Mr. Cappellino also stated the ILDC has been requested to provide

approximately \$350,000 in mortgage recording tax exemption benefits. Finally, Mr. Cappellino reminded committee members that the bonds are not to be an obligation of the ILDC or Erie County.

Mr. Klapper then spoke on behalf of the Tapestry Charter School and its project. General discussion ensued.

Mr. Szukala asked for a motion to approve of the project. Mr. Doherty moved and Mr. Emminger seconded to approve of the project. Mr. Szukala called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE MEMBERS OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC" OR "ISSUER") FINANCE & AUDIT COMMITTEE RECOMMENDING THAT THE ILDC FINANCE CERTAIN COSTS RELATING TO, AND APPROVING THE UNDERTAKING OF A CERTAIN PROJECT DESCRIBED BELOW, AT THE REQUEST OF TAPESTRY CHARTER SCHOOL AND THE GRANTING OF CERTAIN FINANCIAL ASSISTANCE IN CONNECTION THEREWITH, INCLUDING THE ISSUANCE OF THE ISSUER'S TAX-EXEMPT AND/OR TAXABLE REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE PURPOSE OF UNDERTAKING THE PROJECT AND THE COSTS OF SUCH ISSUANCE

IRS FORM 990s – RDC & ILDC

Ms. Profic reported to Committee members that the IRS Form 990s for the ILDC and the RDC are ready for review and will be filed in June 2017.

NEW BUSINESS

Ms. Profic informed Committee members that the banking request for proposals has been issued, noting that the response due date is June 2, 2017.

There being no further business to discuss, upon motion made by Mr. Doherty and seconded by Sister Denise, the meeting was adjourned at 12:32 p.m.

Dated: May 15, 2017

Robert G. Murray, Secretary

MEMORANDUM

To: ECIDA/RDC/ILDC Joint Finance & Audit Committee

From: Mollie Profic, Controller

Re: Bethlehem Steel Site Transaction

Date: August 17, 2017

At their meetings on February 22, 2017, the ECIDA and ILDC Boards resolved to grant \$6,700,000 from ECIDA's UDAG Fund to ILDC for the purpose of acquiring approximately 150 acres of the former Bethlehem Steel Site. \$5,700,000 was earmarked for the purchase of the real property, with the remaining \$1,000,000 to be used for approximately five years of carrying costs (insurance, special assessments, and user fees).

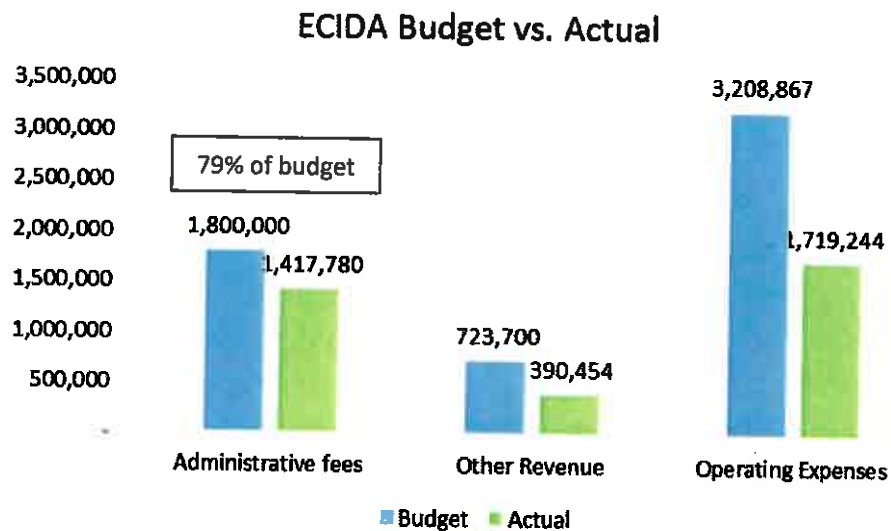
Through a separate grant from Empire State Development, diverted from Erie County to the ILDC, ECIDA's UDAG Fund will be reimbursed \$2,780,000, then 50% of net proceeds of future land sales, up to \$6,700,000 in total.

Through August 10, 2017, \$2,625,550 of the \$5,700,000 for the real property purchase has been transferred to ILDC and used for land acquisition and legal costs associated with the acquisition.

MEMORANDUM

TO: Joint Finance & Audit Committee of ECIDA, RDC & ILDC
FROM: Mollie Profic, Controller & Treasurer
SUBJECT: Financial Report
DATE: August 17, 2017

The chart below depicts ECIDA’s budgeted Administrative Fee Revenue, Other Revenue, and Operating Expenses compared with the actual amounts through July 31, 2017.



- Administrative fees include one bond issuance fee through July 31 (\$144,684)
- Other revenue includes affiliate management fees (RDC, ILDC, BUDC) and rental income
- \$89,000 operating income through July 31