



Erie County Industrial Development Agency
Annual Meeting of the Membership
April 25, 2018
@ 9:00 a.m.
95 Perry Street
5th Floor ESD Conference Room
Buffalo, New York 14203

1.0 Call to Order

- 1.1 Call to Order Meeting of the Membership

2.0 Approval of Minutes:

- 2.1 Approval of Minutes of March 21, 2018 Meeting of Membership (Pages 2-6)

3.0 Reports / Action Items / Information Items:

- 3.1 Financial Report (Pages 7-10)
- 3.2 Safety Deposit Box Resolution (Pages 11-12)
- 3.3 2018 Tax Incentive Induced/Closing Schedule/ Estimated Real Property Tax Impact (Pages 13-15)
- 3.4 Nominating Committee Update
 - a) Election of Officers/Committee Appointments (Pages 16-19)
- 3.5 Bethlehem Steel Project Funding Resolution (Pages 20-22)

4.0 Management Team Reports:

- 4.1 Pay Equity Presentation

5.0 Adjournment - Next Meeting May 23, 2018

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

- DATE AND PLACE:** March 21, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203
- PRESENT:** Rev. Mark E. Blue, Hon. Byron W. Brown, Hon. Patrick B. Burke, Hon. Joseph H. Emminger, Tyra Johnson, Hon. Brian J. Kulpa, Richard Lipsitz, Jr., David L. Lowrey, Brenda W. McDuffie, John J. Mudie, Hon. Glenn R. Nellis, Louis Panzica, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, and Sister Denise Roche
- EXCUSED:** Hon. Diane Benczkowski, James F. Doherty, Dottie Gallagher-Cohen, and Paul V. Vukelic
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Treasurer; Karen M. Fiala, Assistant Treasurer; Dawn Boudreau, Compliance Officer and Robert G. Murray, Secretary
- GUESTS:** Maria Whyte, Deputy County Executive; Andrew Federick, Erie County Senior Economic Development Specialist; and Michael Szukala, Chair of the Finance and Audit Committee

At 9:12 a.m., there being a quorum present, Ms. McDuffie called the meeting to order.

MINUTES

The minutes of the February 21, 2018 meeting of the members were presented. Mr. Blue moved, and Sister Denise seconded, to approve of the meeting minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the financial statements for February 2018 noting that the balance sheet shows that the Agency finished the month with total assets of \$33.7 million and net assets of \$21.3 million. The monthly income statement shows an operating net loss of \$68,000. Operating revenue was under budget by \$64,000, due mainly to administrative fees. Total operating expenses were under budget by \$12,000. After factoring in strategic investments and depreciation, there was a net loss of \$150,000 for the month. The year to date income statement shows revenue of \$221,000, \$229,000 below budget for the year and expenses of \$454,000, about \$7,000 below budget. After special project grants, strategic initiatives and depreciation, there is currently a net loss of \$326,000 for the year. Ms. McDuffie directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Profic provided members with an update of the most recently completed Finance and Audit Committee meeting and introduced members to Mr. Michael Szukala, Chair of the Finance and Audit Committee. Ms. Profic confirmed that the committee reviewed the Freed Maxick CPAs report including draft 2017 Audited Financial Statements, the 2017 Public Authorities Report, the 2017 Investment Report, the Investment and Deposit Policy, the Finance and Audit Committee Charter, the Corporate Credit Card Policy and the Finance and Audit Committee self-evaluation. Ms. McDuffie asked if Ms. Profic could request that the Agency's auditors issue a management letter even if the management letter states that there are no issues. Ms. Profic stated that she would make the request. Ms. McDuffie directed that the report be received and filed.

2017 Audited Financial Statements. Ms. Profic mentioned that the auditors issued an unmodified opinion on the Agency's 2017 Audited Financial Statements. As a public authority, Ms. Profic noted that the Agency's financial statements are prepared based on governmental auditing standards and include a management discussion and analysis which provides an overview of the statements. The balance sheet shows that there were total assets of \$33.8 million at December 31, 2017, a decrease from \$35.1 million in 2016. The majority of assets are current, with cash comprising the largest portion at \$17 million. This is a decrease of \$7.4 million from 2016 and is largely a result of UDAG monies granted to the ILDC for purchase of the Bethlehem Steel property. There was also a \$5.3 million increase in grant receivables to \$7.3 million from \$2 million in 2016, as additional grants were awarded in 2017. Under non-current assets, the most significant change is a \$487,000 increase in investments. This represents an unrealized gain on the shares of Athenex stock held by the Agency at year end. When the shares are sold in 2018, the unrealized gain will be adjusted up or down. Moving further down on the balance sheet, Ms. Profic stated that current liabilities increased to \$7 million from \$2.9 million in 2016, mainly due to an increase in unearned revenue of \$4.3 million. This figure reflects unearned grant revenue and corresponds to the increase in grants receivable previously discussed. This amount will decrease as grant revenue is recognized. Non-current liabilities increased by \$1.3 million to \$5.1 million at year end. Note 3 details these funds, which are held in restricted cash accounts. The Agency's net position decreased from \$28.3 million in 2016 to \$21.6 million in 2017. This is a result of a \$6.7 million net loss for 2017, due in large part to \$6.5 million granted to the ILDC. The statements of revenues, expenses and changes in net position detail the decrease in net position for the year. Operating revenues of \$2.7 million were up compared to \$2.3 million in 2016, due mainly to an increase in administrative fees. Administrative fees were just under \$2.0 million in 2017, in excess of our \$1.8 million budget for the year and an increase of \$435,000 from 2016. Operating revenues remained flat at \$3.5 million. Salaries and benefits increased \$96,000 (approximately 5%) due to a cost of living increase, and about an 8% overall increase in employee benefit cost. General administrative expenses decreased \$95,000 due to a decrease in consultant and legal costs. Special project revenues of \$1 million represent grant revenues recognized income in the Railroad Trust Fund. Special project expenses of \$7.4 million include \$6.5 million granted to the ILDC for the Bethlehem Steel purchase and grant expenses of \$758,000. Non-operating revenues include the unrealized gain on Athenex stock.

The remainder of the financials are the notes and supplementary information, which show the statements at the fund level. Additional information includes the auditors required communications, a summary of accounting estimates made within the financials, some recently issued accounting standards, and copies of the representation letters. These drafts were reviewed in detail with the Finance and Audit Committee on March 12th. Mr. Nellis moved and Mr. Lowrey seconded to approve of the 2017 Audited Financial Statements. Ms. McDuffie called for the vote and the 2017 Audited Financial Statements were unanimously approved.

2017 Investment Report. Ms. Profic reviewed the 2017 Investment Report. There being no questions, Mr. Poloncarz moved and Mr. Emminger seconded to approve of the 2017 Investment Report. Ms. McDuffie called for the vote and the 2017 Investment Report was unanimously approved.

2018 Tax Incentive Induced/Closed Schedule/Estimated Real Property Tax Impact. Ms. Fiala presented this report. Ms. McDuffie directed that the report be received and filed.

Governance Committee Update and Committee Self-Evaluation. Ms. Boudreau provided members with an update of the most recently completed Governance Committee meeting. Ms. McDuffie directed that the report be received and filed.

Beverly Gray BEREC/Extension of Funding Agreement. Mr. Cappellino reviewed the resolution presented to Board members permitting the Agency to consent to the assignment of the existing agreement between the Agency and the Buffalo Economic Renaissance Corporation with respect to the Beverly Gray Business Exchange Center to be assigned to Community Development Properties, Buffalo, Inc., and also permitting the Agency to extend the termination date of the Agreement from December 31, 2017 to December 31, 2019.

At this point in time, Mr. Brown stated that he would be abstaining from discussions and actions with respect to this matter. Mr. Pridgen also stated he would be abstaining from any discussion and action with respect to this matter. Mr. Poloncarz then moved and Mr. Blue seconded to approve of the assignment and extension date as proposed. Ms. McDuffie then called for the vote and the following resolution, with two abstentions as previously disclosed, was unanimously approved as follows:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“AGENCY”) TO AMEND THAT CERTAIN FUNDING AGREEMENT FOR ECONOMIC DEVELOPMENT PURPOSES WITH BUFFALO ECONOMIC RENAISSANCE CORPORATION TO PROVIDE FUNDING TO SERVICE CERTAIN BUSINESS DEVELOPMENT NEEDS OF MWBE BUSINESS ENTERPRISES USING FUNDS FROM THE AGENCY’S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”) URBAN DEVELOPMENT ACTION GRANT (“UDAG”) REFLOW FUND AND TO CONSENT TO THE ASSIGNMENT OF THE FUNDING AGREEMENT TO COMMUNITY DEVELOPMENT PROPERTIES, BUFFALO, INC.

REVIEW AND ADOPTION OF POLICIES, REPORTS AND COMMITTEE CHARTERS

The 2017 Mission Statement, Performance Measures and Results. Ms. Profic reviewed the 2017 Mission Statement and related results. Mr. Poloncarz moved and Mr. Blue seconded to approve of the statement and results. Ms. McDuffie called for the vote and 2017 Mission Statement, Performance Measures and Results was unanimously approved.

The 2018 Mission Statement, Performance Measures and Results. Ms. Profic reviewed the 2018 Mission Statement and related results noting that most of the objectives remain the same, while the matrix was updated to reflect the rolling average of the last three years (2015-2017). Ms. Profic also noted that Objective E on page 7 of the Performance Matrix regarding redevelopment of land

was added as a result of discussion at the Governance Committee held on March 13, 2018. Mr. Burke moved and Sister Denise seconded to approve of the 2018 Mission Statement and Performance Measures. Ms. McDuffie called for the vote and 2018 Mission Statement and Performance Measures were unanimously approved.

2017 Public Authorities Report. Ms. Boudreau reviewed the Agency's 2017 Public Authorities Report. Sister Denise moved and Mr. Blue seconded to approve of the 2017 Public Authorities Report. Ms. McDuffie called for the vote and 2017 Public Authorities Report was then unanimously approved.

Procurement Policy. Ms. Profic reviewed an amended version of the Procurement Policy noting the addition of certain new language as a requirement under uniform guidance related to the expenditure of federal funds. Ms. Profic noted that while the Agency did not expend any federal funds in 2017, auditors brought this issue including the requested language forward in the event the Agency is subject to a single audit in the future. This policy was reviewed in detail by the Finance and Audit Committee. Mr. Brown then noted that at the most recently completed meeting of the Buffalo and Erie County Industrial Land Development Corporation, the same Procurement Policy was presented and discussion regarding MWBE procurement and goals was held by ILDC Board members. Mr. Brown noted that the ILDC and the Agency use County and State MWBE guidance and procurement policies depending on the source of money and Mr. Brown also noted that the ILDC approved of the Procurement Policy, as presented today, based on an understanding that Agency staff would develop MWBE goals. Mr. Brown then moved and Mr. Mudie seconded to approve of the Procurement Policy, as amended. Ms. McDuffie called for the vote and the Procurement Policy was then unanimously approved.

Professional Services RFP Process. Mr. Weathers reviewed the proposed amendments to the Agency's Professional Services RFP Process and Policy noting changes being made to the term of engagement with respect to professionals so engaged. Mr. Poloncarz moved and Mr. Nellis seconded to approve of the Policy as proposed. Ms. McDuffie called for the vote and the Agency's Professional Services RFP Process and Policy, as amended, was unanimously approved.

Investment and Deposit Policy. Ms. Profic reviewed the proposed amendments to the Agency's Investment and Deposit Policy noting the only area where changes have been made is to a list outlining the methods that are deemed acceptable for collateralization of deposits. Ms. Profic stated that this change is proactive but noted that if our bank uses any of the new methods to collateralize deposits, then our Policy will already include such collateralization methods. This Policy was also reviewed in detail by Finance and Audit Committee. Mr. Nellis moved and Sister Denise seconded to approve of the Policy as proposed. Ms. McDuffie called for the vote and the Agency's Investment and Deposit Policy, as amended, was unanimously approved.

RE-ADOPTION OF POLICIES AND CHARTERS

Ms. Boudreau noted that Items 7-19 on the agenda were reviewed by counsel, that no Authority Budget Office recommended changes had been made, and as such, the staff recommends that the policies and charters items numbered 7-19 be approved without any changes. Mr. Lowrey then moved and Mr. Blue seconded to approve of the various policies and charters. Ms. McDuffie called for the vote and the following policies and charters were then unanimously approved:

- Code of Ethics
- Whistleblower Policy and Procedures
- Defense & Indemnification Policy
- Finance & Audit Committee Charter
- Governance Committee Charter
- Property Disposition Guidelines
- Property Acquisition Policy
- Board Member Compensation, Reimbursement & Attendance Policy
- Employee Compensation Program
- Travel, Conferences, Meals & Entertainment Policy
- Statement of Duties & Responsibilities of the Board of Directors
- Statement of the Competencies & Personal Attributes Required by Board Members
- Corporate Credit Card Policy

MANAGEMENT TEAM REPORTS

Mr. Weathers reviewed the Agency's annual report and distributed the annual report to the members while simultaneously thanking members of the Agency and Agency staff for their leadership and great efforts.

Mr. Weathers informed members that the Hamburg Industrial Development Agency has asked if Agency staff would be able to assist the Hamburg Industrial Development Agency with certain discrete matters during this interim period when the Executive Director position remains vacant. Mr. Weathers mentioned that the Agency and the Hamburg Industrial Development Agency would be entering into an appropriate Shared Services Agreement. Mr. Poloncarz then stated that now may be an appropriate time to consider merging the Hamburg Industrial Development Agency with the Erie County Industrial Development Agency.

Mr. Weathers then asked for the Agency to enter into Executive Session to discuss a certain legal matter. Mr. Murray advised members that the Agency can enter Executive Session for the purpose of discussing the financial history of a particular person or corporation and as such, the request to enter into Executive Session is to permit the Agency to discuss the financial history of a particular person or corporation. Mr. Blue moved and Sister Denise seconded to enter into Executive Session for the purpose as described above. The motion was then unanimously approved. At 9:47 a.m., the Agency entered into Executive Session. Upon motion made by Mr. Emminger and seconded by Sister Denise, and unanimously approved, the Agency terminated Executive Session at 10:09 a.m.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 10:09 a.m.

Dated: March 21, 2018

Robert G. Murray, Secretary

Erie County Industrial Development Agency
Financial Statements
As of March 31, 2018

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Balance Sheet

March 31, 2018

	March 2018	February 2018	December 2017
ASSETS:			
Cash *	\$ 8,176,625	\$ 7,656,895	\$ 8,112,406
Restricted Cash & Investments *	15,025,283	15,216,628	13,576,604
Due from Affiliates	94,416	457,412	394,579
Due from Buffalo Urban Development Corp.	40,789	92,935	1,530,022
Other Receivables	253,177	289,978	165,053
Total Current Assets	<u>23,590,290</u>	<u>23,713,847</u>	<u>23,778,663</u>
Grants Receivable	7,013,079	7,291,960	7,291,960
Loans Receivable, net of allowance	12,465	13,484	15,503
Venture Capital Investments, net of reserves	1,171,227	1,171,227	1,171,227
Fixed Assets	1,528,217	1,539,050	1,560,717
Total Long-Term Assets	<u>9,724,988</u>	<u>10,015,722</u>	<u>10,039,407</u>
TOTAL ASSETS	<u><u>\$ 33,315,278</u></u>	<u><u>\$ 33,729,569</u></u>	<u><u>\$ 33,818,070</u></u>
LIABILITIES & NET ASSETS			
Accounts Payable & Accrued Exp.	\$ 243,175	\$ 276,719	\$ 360,964
Deferred Revenues	6,659,468	6,665,458	6,665,779
Other Payables	131,354	131,354	131,354
Funds Held on Behalf of Others	5,258,357	5,324,066	5,001,924
Total Liabilities	<u>12,292,353</u>	<u>12,397,597</u>	<u>12,160,021</u>
Net Assets	<u>21,022,925</u>	<u>21,331,972</u>	<u>21,658,049</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 33,315,278</u></u>	<u><u>\$ 33,729,569</u></u>	<u><u>\$ 33,818,070</u></u>

* Cash and restricted cash is invested in checking accounts at M&T Bank. The maximum FDIC insured amount = \$250,000 with the remainder of the cash balance collateralized with government obligations by the financial institution.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Month of March 2018

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUES:			
Administrative Fees	\$ 7,500	\$ 163,333	\$ (155,833)
Affiliate Management Fees	38,333	40,583	(2,250)
Interest Income - Loans	542	-	542
Interest Income - Cash & Investments	526	1,333	(807)
Rental Income	18,478	18,750	(272)
Other Income	4,796	5,833	(1,038)
Total Revenues	<u>70,175</u>	<u>229,833</u>	<u>(159,658)</u>
EXPENSES:			
Salaries & Benefits	\$ 157,588	\$ 165,354	\$ (7,766)
General Office Expenses	38,249	26,590	11,659
Building Operating Costs	12,824	13,238	(414)
Professional Services	23,614	27,283	(3,670)
Public Hearings & Marketing	8,620	6,167	2,454
Travel, Mileage & Meeting Expenses	3,069	6,667	(3,597)
Other Expenses	518	833	(315)
Total Expenses	<u>244,482</u>	<u>246,132</u>	<u>(1,650)</u>
SPECIAL PROJECT GRANTS:			
Revenues	\$ 4,630	\$ 86,142	\$ (81,511)
Expenses	(12,434)	(176,833)	164,399
	<u>(7,803)</u>	<u>(90,692)</u>	<u>82,888</u>
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:			
	<u>(182,110)</u>	<u>(106,990)</u>	<u>(75,120)</u>
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:			
Zero Net Energy costs (Z7+)	(1,104)	(53,251)	52,147
BBRP Agreement	(100,000)	(100,000)	-
Other Strategic Initiatives	(15,000)	(187,000)	172,000
	<u>(116,104)</u>	<u>(340,251)</u>	<u>224,147</u>
NET INCOME/(LOSS) BEFORE DEPRECIATION:			
	<u>(298,214)</u>	<u>(447,241)</u>	<u>149,027</u>
Depreciation	(10,833)	(11,668)	834
NET INCOME/(LOSS):	<u>\$ (309,047)</u>	<u>\$ (458,909)</u>	<u>\$ 149,862</u>

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Year to Date: March 31, 2018

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
REVENUES:						
Administrative Fees	\$ 109,677	\$ 490,000	\$ (380,323)	\$ 109,677	\$ 657,974	\$ (548,297)
Affiliate Management Fees	115,000	121,750	(6,750)	115,000	65,917	49,083
Interest Income - Loans	2,145	-	2,145	2,145	685	1,460
Interest Income - Cash & Investments	2,018	4,000	(1,982)	2,018	3,946	(1,928)
Rental Income	55,434	56,250	(816)	55,434	36,923	18,511
Other Income	6,681	7,500	(819)	6,681	-	6,681
Total Revenues	290,954	679,500	(388,546)	290,954	765,444	(474,490)
EXPENSES:						
Salaries & Benefits	485,248	496,061	(10,813)	485,248	318,720	166,528
General Office Expenses	94,623	64,770	29,853	94,623	48,618	46,005
Building Operating Costs	42,849	45,415	(2,566)	42,849	30,278	12,570
Professional Services	30,484	46,450	(15,966)	30,484	101,486	(71,002)
Public Hearings & Marketing	13,383	18,500	(5,117)	13,383	7,832	5,552
Travel, Mileage & Meeting Expenses	16,781	20,000	(3,219)	16,781	13,176	3,605
Other Expenses	163	2,500	(2,337)	163	2,546	(2,383)
Total Expenses	683,531	693,696	(10,165)	683,531	522,657	160,874
SPECIAL PROJECT GRANTS:						
Revenues	5,811	8,425	(2,614)	5,811	800	5,011
Expenses	(27,754)	(15,000)	(12,754)	(27,754)	(118,351)	90,597
	(21,943)	(6,575)	(15,368)	(21,943)	(117,551)	95,608
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:						
	\$ (414,520)	\$ (20,771)	\$ (393,749)	\$ (414,520)	\$ 125,236	\$ (539,756)
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:						
Zero Net Energy costs (Z7+)	\$ (1,104)	\$ (159,752)	158,649	\$ (1,104)	\$ -	\$ (1,104)
UDAG BUDC BBRP Grant	(100,000)	(100,000)	-	(100,000)	-	(100,000)
Canadian Lead Generation (IBN)	(72,000)	(72,000)	-	-	-	-
Other Strategic Initiatives	(15,000)	(15,000)	-	(15,000)	-	(15,000)
	(188,104)	(346,752)	158,649	(116,104)	-	(116,104)
NET INCOME/(LOSS) BEFORE DEPREC:						
	(602,624)	(367,524)	(235,100)	(530,624)	125,236	(655,860)
Depreciation	(32,500)	(35,006)	2,506	(32,500)	(23,333)	(9,167)
NET INCOME/(LOSS):	\$ (635,124)	\$ (402,530)	\$ (232,594)	\$ (563,124)	\$ 101,902	\$ (665,026)

MEMORANDUM

TO: ECIDA Board of Directors
FROM: Mollie Profic, CFO
SUBJECT: Safe Deposit Box Resolution
DATE: April 25, 2018

ECIDA uses safe deposit boxes to retain various original legal documents. There are currently two safe deposit boxes at a Northwest Bank branch, as a result of the First Niagara Bank acquisition. Northwest needs the Agency to sign their rental agreements in order to close out the boxes, as the original agreements signed with First Niagara were not renewed. Once the signed rental agreements are on file, ECIDA staff will close the boxes and open a new box(es) at M&T Bank.

Action:

Staff is recommending the ECIDA Board approve the attached resolution to authorize entering into safe deposit box rental agreements with Northwest Bank.

**RESOLUTION OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 25, 2018 at 9:00 a.m.

WHEREAS, the Erie County Industrial Development Agency (“Agency”) retains a safe deposit box with Northwest Bank (the “Bank”), with said bank having its corporate offices located at 100 Liberty Street, P.O. Box 123, Warren, PA; and

WHEREAS, the Agency desires to surrender the safe deposit box to the Bank; and

WHEREAS, the Bank requires that the Agency confirm its rental agreement with the Bank for the safe deposit box and authorize the surrendering of the safe deposition box.

NOW, THEREFORE, BE IT RESOLVED BY THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1: The Agency hereby authorizes its Chief Executive Officer, Executive Vice President, its Treasurer, its Assistant Treasurer, its Controller, and its Bookkeeper, (each an “Officer” and collectively, the “Appointed Officers”) to enter into such safe deposit rental agreement(s) with the Bank, as they shall deem proper, to have access to any and to surrender the safe deposit box or boxes, to receive and receipt for any contents of the safe deposit box or boxes or other property in the Bank’s possession for storing or safekeeping and to execute releases of liability with respect to any such transactions, until Bank receives at the location at which the safe deposit box or boxes may be rented a certified copy of a resolution revoking or modifying the aforementioned authority as so granted by the Agency.

Section 3. The Agency hereby authorizes its Appointed Officers to surrender the safe deposit box.

Section 2: This Resolution shall take effect immediately.

ADOPTED: April 25, 2018

**ESTIMATED TAX IMPACT (SUBJECT TO RESTRICTIONS OF NYS TAX CAP)
2018 CLOSINGS**

PROJECT NAME	PRE-PROJECT VALUE	EST. OR ACTUAL INCREASE IN ASSESSED VALUE DUE TO PROJECT	COUNTY TAX RATE	LOCAL TAX RATE	PROJECTED INCREASE IN COUNTY TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD	PROJECTED INCREASE IN LOCAL TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD
Great Lakes		\$1,174,000	\$12.38	\$80.00	\$30,500	\$197,000
Orthodontics	\$0	\$1,550,000	\$8.39	\$24.00	\$20,000	\$67,000
Aakron Rule	\$0	\$1,716,000	\$13.30	\$80.00	\$34,000	\$205,000
Unfrac	\$0					
*denotes company has or intends to file for City 485-a exemption		*The final assessment on each project is determined by the assessor of the respective municipality				
				Total	\$84,500	\$469,000

2018-2019 ECIDA/RDC/ILDC Board Committees & Officers

Executive Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
7 Board members, President & CEO, as specified in By-Laws	Chair - McDuffie* (Chair)	Chair -* McDuffie (Chair)
	Vice Chair -* Lipsitz	Vice Chair - *Lipsitz
	County Executive - *Poloncarz	County Executive *Poloncarz
	Mayor Buffalo -* Brown	Mayor Buffalo - *Brown
	Emminger* (Chair, RDC Loan Committee)	Emminger* (Chair, RDC Loan Committee)
	Glenn Nellis* (Representing the Finance & Audit Committee)	Glenn Nellis* (Representing the Finance & Audit Committee)
	Pridgen* (Chair, Loan Write-Off)	Pridgen* (Chair, Loan Write-Off)
	President & CEO - Steve Weathers [non-voting]	President & CEO - Steve Weathers [non-voting]

Policy Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws 12- Meetings a year	Lipsitz* (Chair)	Lipsitz* (Chair)
	Baskin	Baskin
	Blue*	Blue*
	Brown	Brown
	Coleman	Coleman
	DiPirro	DiPirro
	Krebs	Krebs
	McDuffie*	McDuffie*
	Mudie	Mudie
	Nellis	Nellis
	Smith (BNP)	Smith (BNP)
	State	State
	Vukelic	Vukelic
	Whyte	Whyte
(Vacant)	Cummings	

Governance Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws. Not less than 3 independent members per PAL. 1-2 Meetings a Year	McDuffie*(Chair)	McDuffie* (Chair)
	Benczkowski*	Benczkowski*
	Johnson-Hux*	Johnson-Hux*
	State	State
	Whyte	Whyte
		Kulpa

*=Board members who fill seats required by By-laws
Nominating Committee Approved Date – March 28, 2018
Board Approved Date – April 25, 2018

2018-2019 ECIDA/RDC/ILDC Board Committees & Officers

Finance & Audit Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws. Not less than 3 independent members per PAL. 3-4 Meetings a Year	Szukala, Michael (Chair)	Szukala, Michael (Chair)
	Beckwith, Penny	Beckwith, Penny
	Doherty*	Doherty*
	Emminger*	Emminger*
	Nellis*	Nellis*
	Roche	Roche
	Witzleben, William (M&T)	Witzleben, William (M&T)

Loan Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
By-Laws specify no more than 5 members of the Policy Committee plus 2 City members and 1 County member 6-12 Meetings a Year	Emminger (Chair)	Emminger (Chair)
	Roche	Roche
	[City 1] Tom Grys (Wells Fargo Bank)	[City 1] Tom Grys (Wells Fargo Bank)
	[City 2] Rebecca Gandour	[City 2] Rebecca Gandour
	[County 1] David McKinley (Community Bank N.A.)	[County 1] David McKinley (Community Bank N.A.)
	[Other] Nancy LaTulip	[Other] Nancy LaTulip
	[Other] Michael Taylor (NYBDC)	[Other] Michael Taylor (NYBDC)
	Mudie	

Staff Loan Committee RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
No by-law requirement 12-15 Meetings a Year Per the Loan Administration Plan (LAP), the Board may also establish or appoint other Loan Committee members to approve strategic loans and other designated loan programs	President & CEO - Steve Weathers (Chair)	President & CEO - Steve Weathers (Chair)
	Exec. V.P. -John Cappellino	Exec. V.P. -John Cappellino
	Treasurer – Mollie Profic	Treasurer – Mollie Profic
	Assistant Treasurer – Karen Fiala	Assistant Treasurer – Karen Fiala
	David Stebbins - BUDC	David Stebbins - BUDC

Loan Write-off Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws 1 Meeting a Year	Pridgen* (Chair)	Pridgen* (Chair)
	Beckwith, Penny	Beckwith, Penny
	Doherty*	Doherty*
	Witzleben, William (M&T)	Witzleben, William (M&T)
	(Vacant)*	Roche*

*=Board members who fill seats required by By-laws
Nominating Committee Approved Date – March 28, 2018
Board Approved Date – April 25, 2018

2018-2019 ECIDA/RDC/ILDC Board Committees & Officers

Investment Review Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
No by-law requirement	Poloncarz, Mark (Chair)	Poloncarz, Mark (Chair)
4-6 Meetings a Year	Alpert, Alan	Alpert, Alan
	Bell, Clifford	Bell, Clifford
	Gallagher-Cohen, Dottie	(Vacant)
	Johnson-Hux, Tyra	(Vacant)
	Lowrey, David	(Vacant)
	McMahon, Diane	McMahon, Diane
	Panzica, Louis	(Vacant)

Nominating Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
Number of members not specified in By-Laws	Poloncarz (Chair)	Poloncarz (Chair)
1 Meeting a Year	Rev. Blue	
	Gallagher-Cohen	Gallagher-Cohen
	Lipsitz	Lipsitz
	Roche	Roche
		McDuffie

Compensation Committee ECIDA	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
No by-law requirement	Poloncarz (Chair)	Poloncarz (Chair)
1-2 Meetings a Year	Doherty	Doherty
	Gallagher-Cohen	Gallagher-Cohen
	Lowrey	Lowrey
	Lipsitz	Lipsitz

*=Board members who fill seats required by By-laws
 Nominating Committee Approved Date – March 28, 2018
 Board Approved Date – April 25, 2018

2018-2019 ECIDA/RDC/ILDC Board Committees & Officers

OFFICERS	Current Officers			Proposed Officers		
	ECIDA	RDC	ILDC	ECIDA	RDC	ILDC
Chair	Brenda McDuffie		Hon. Mark Poloncarz	Brenda McDuffie		Hon. Mark Poloncarz
Vice Chair	Richard Lipsitz			Richard Lipsitz		
President & CEO	Steve Weathers			Steve Weathers		
Executive Vice President	John Cappellino			John Cappellino		
Treasurer	Mollie Profic			Mollie Profic		
Assistant Treasurers	Michael Alexander, Karen Fiala, Jerry Manhard			Michael Alexander, Karen Fiala, Jerry Manhard, Atiq Abidi		
Secretary	Robert Murray			Robert Murray		
Assistant Secretary	Pietra Zaffram			Pietra Zaffram		

OTHER DESIGNATED POSITIONS	Designated Positions	Proposed Designated Positions
Chief Financial Officer	Mollie Profic	Mollie Profic
Senior Accountant	(Vacant)	Atiq Abidi
Chief Lending Officer	Jerry Manhard	Jerry Manhard
Contracting Officer (required in Property Disposition Policy)	Mollie Profic	Mollie Profic
Electronic Records Retention Officer	Brian Krygier	Brian Krygier
Ethics Officer (required in Conflict of Interest Policy)	John Cappellino	John Cappellino
FOIL Officer	Karen Fiala	Karen Fiala
Human Resources Officers	Mollie Profic Pat Smith	Mollie Profic Pat Smith
Non-electronic Records Retention Officer	Dawn Boudreau	Carrie Hocieniec

*=Board members who fill seats required by By-laws
 Nominating Committee Approved Date – March 28, 2018
 Board Approved Date – April 25, 2018



June 28, 2017

Memo:

To: Members of the Erie County Industrial Development Agency

Regarding: Bethlehem Steel Rail improvements Phase II

Background:

In April of 2013 the various land owners and Erie County entered into a Site Infrastructure Agreement which outlined three phases of redevelopment for the former Bethlehem Steel site. These phases included the construction of a waterline to service the new Welded Tube facility which has been completed, the construction of a new access road corridor at Dona Street and the construction of new rail facilities along with the removal of the Lower E yard along Route 5.

Funding for the construction portion of the project was approved by the Erie County Legislature in February of 2017 in an amount not to exceed \$4,550,000.

On June 28, 2017, the Agency resolved to enter into partnership with Erie County, to serve as project administrator for the design and engineering of the rail relocation and removal project.

On July 5, 2017, the Agency entered into an agreement with Erie County to take all actions reasonably necessary to complete the Bethlehem Steel Rail Improvements project including contracting for engineering, construction and construction management services for an aggregate funding amount not to exceed \$4,550,000.

Project costs have since increased by \$650,000 due to unexpected underground utility conflict. It is anticipated that the Erie County Legislature will approve the additional expenditures in the amount of \$650,000, such that total projects costs to be approved for the project will be in an amount not to exceed \$5,200,000.

The design and engineering of the project is presently being finalized and is on schedule for a construction start in May, 2018.

Requested Action:

Seeking approval to amend the June 28, 2017 agreement with Erie County and to take all actions reasonably necessary to complete the Bethlehem Steel Rail Improvements project including contracting for engineering, construction and construction management services for an aggregate funding amount not to exceed \$5,200,000.



ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AMENDATORY RESOLUTION
(Bethlehem Steel Rail Improvements Project – Phase II)

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 25, 2018 at 9:00 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE AGENCY TO ENTER INTO AND TO AMEND IF NECESSARY CONTRACTS WITH THE COUNTY OF ERIE AND/OR THE NYSDOT, OTHER STATE AND FEDERAL AGENCIES, AND APPROPRIATE CONTRACTORS OR CONSULTANT(S), IN AMOUNTS NOT TO EXCEED AN ADDITIONAL \$650,000, FOR A GRAND TOTAL OF \$5,200,000, FOR THE PURPOSE OF CONSTRUCTION RELATED TO PHASE II RAIL IMPROVEMENTS WORK ON THE FORMER BETHLEHEM STEEL SITE

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the “Act”), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”) was created as a public benefit corporation of the State with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act to prevent unemployment and economic deterioration; and

WHEREAS, on June 28, 2017, the Agency resolved (the “Initial Resolution”) to enter into contracts with the County, the NYSDOT, other state and federal agencies, and with the appropriate contractors and/or consultant(s) in amounts not to exceed a total of \$4,550,000, for certain work involving the removal, relocation and construction of rail track and related utilities on the former Bethlehem Steel site in the City of Lackawanna, New York (the “Project”); and

WHEREAS, to implement the Project, the County of Erie (the “County”) and the Agency entered into an Agreement for Bethlehem Steel Rail Improvements Project Phase II, dated as of July 5, 2017 (the “Administration Agreement”); and

WHEREAS, costs related to the Project have increased by an additional \$650,000 due to unexpected difficulties associated with underground utilities; and

WHEREAS, it is anticipated that the County will authorize the expenditure of the additional \$650,000, to be so administered by the Agency, with respect to the Project; and

WHEREAS, the Agency and the County must amend the Administration Agreement, to facilitate the completion of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All recitals, findings and determinations of the Agency contained in the Initial Resolution are hereby reaffirmed, ratified, restated and incorporated herein by reference as if set forth herein in their entirety, except as modified by this Resolution.

Section 2. Section 1 of the Initial Resolution is hereby replaced in its entirety to read as follows:

As referenced and authorized by the County, and in accordance with the Agency's goals and purposes as set forth herein, the Agency is hereby authorized to enter into contracts with the County, the NYSDOT, other state and federal agencies, and with the appropriate contractors and/or consultant(s) in amounts not to exceed a total of \$5,200,000, for the removal, relocation and construction of rail track and related utilities on the former Bethlehem Steel site in the City of Lackawanna, New York.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. All actions heretofore undertaken by the Agency are ratified and approved and the Agency is hereby authorized to continue to undertake the Project.

Section 5. These Resolutions shall take effect immediately upon the County authorizing the additional \$650,000 expenditure as so related to the Project and as described herein.

Dated: April 25, 2018