



Buffalo and Erie County Industrial Land Development Corporation

Meeting of the Membership

October 26, 2016

@

10:45 a.m.

95 Perry Street

4th Floor Vista Room

Buffalo, New York 14203

1.0 Call to Order

2.0 Approval of Minutes

2.1 Approval of the September 28 2016 Meeting of the Membership **(Pages 2-3)**

3.0 Reports / Action Items / Information Items:

3.1 Financial Report **(Pages 4-9)**

3.2 EDA Amendment for RDC Loan Funds **(Pages 10-11)**

4.0 Adjournment - Next Meeting November 30, 2016

**MINUTES OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY
INDUSTRIAL LAND DEVELOPMENT CORPORATION
(ILDC)**

- DATE AND PLACE:** September 28, 2016, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203
- PRESENT:** Richard Lipsitz, Jr., John Mills, John Mudie, Hon. Edward A. Rath, III and Hon. Mark C. Poloncarz
- EXCUSED:** Hon. Byron W. Brown and Maria Whyte
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; Karen M. Fiala, Assistant Treasurer; Bradley Bach, Assistant Treasurer; and Robert G. Murray, Secretary
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 10:45 a.m., the meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Mr. Poloncarz.

MINUTES

Upon motion made by Mr. Lipsitz and seconded by Mr. Mudie, the August 24, 2016 minutes of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation meeting were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Mr. Bach reviewed the August, 2016 financial statements noting that as of August 31, 2016, the ILDC has net assets of approximately \$260,000 and for the month of August, 2016 had a net loss of \$175. On a year-to-date basis, the ILDC has net income of approximately \$1,400. There being no further discussion, Mr. Poloncarz directed that the report be received and filed.

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

Approval of 2017 Operating Budget. Mr. Bach reviewed the ILDC proposed budget for fiscal year 2017 showing revenues of \$30, expenses of \$1,400 and a net loss of \$1,370. Mr. Bach commented that ILDC revenue projection is also affected by the issuance of tax-exempt bonds, however, bond issuance projects are speculative and at this point in time, the ILDC is unaware of any tax-exempt bond issuance for 2017.

Mr. Rath moved and Mr. Lipsitz seconded to approve of the ILDC proposed budget for 2017. Mr. Poloncarz called for the vote and the motion was then unanimously approved.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 10:50 a.m.

Dated: September 28, 2016

Robert G. Murray, Secretary

Industrial Land Development Corp.
Financial Statements
As of September 30, 2016

INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")

Balance Sheet

September 30, 2016

	September 2016	August 2016	December 2015
ASSETS:			
Restricted Cash *	\$ 700,485	\$ 255,716	\$ 278,808
Loans Receivable, net	17,561	3,595	8,453
Less: Reserve for Loan losses	-	-	(1,359)
Loan Interest Receivable	25	25	-
Total Loan Assets	<u>17,586</u>	<u>3,620</u>	<u>7,094</u>
Total Assets	<u>\$ 718,071</u>	<u>\$ 259,336</u>	<u>\$ 285,902</u>
LIABILITIES & NET ASSETS:			
Accounts Payable	\$ 10,625	\$ -	\$ -
Due to/(from) ECIDA	14,541	333	27,862
Interest Payable - HUD	21	17	29
Other Liabilities	-	-	-
Total Liabilities	<u>25,187</u>	<u>351</u>	<u>27,891</u>
Restricted Fund Balance	<u>692,884</u>	<u>258,985</u>	<u>258,011</u>
Total Liabilities & Net Assets	<u>\$ 718,071</u>	<u>\$ 259,336</u>	<u>\$ 285,902</u>

	September 2016	August 2016	December 2015
* Loan Portfolio Summary:			
# of Loans	<u>2</u>	<u>1</u>	<u>3</u>

* Cash is invested in interest bearing accounts at First Niagara Bank. The maximum FDIC insured amount is \$250,000 with the remainder collateralized with government obligations by the financial institution.

First Niagara has been acquired by KeyBank, and subsequent to the 2016 Columbus Day holiday, the cash will be held at KeyBank.

INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")
Income Statement
 Month of September 2016

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUES:			
Interest Income - Loans	\$ 28	\$ 8	\$ 19
Interest Income - Cash & Inv.	-	3	(3)
Administrative Fees	-	-	-
Other Income	444,678	-	444,678
Total Revenues	<u>444,705</u>	<u>11</u>	<u>444,695</u>
EXPENSES:			
Management Fee - ECIDA	\$ 42	\$ 42	0
Provision for Loan Losses	-	-	-
Professional Services	10,625	17	10,608
Rent & Facilities Expenses	-	-	-
General Office Expenses	-	-	-
Travel & Meeting Expenses	-	-	-
Other Expenses	140	25	115
Total Expenses	<u>10,807</u>	<u>83</u>	<u>10,723</u>
NET INCOME/(LOSS):	<u>\$ 433,899</u>	<u>\$ (73)</u>	<u>\$ 433,971</u>

INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")

Income Statement

Year to Date: September 30, 2016

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
REVENUES:						
Interest Income - Loans	\$ 127	\$ 75	\$ 52	\$ 127	\$ 489	\$ (362)
Interest Income - Cash & Inv.	-	23	(23)	-	1	(1)
Administrative Fees	-	-	-	-	-	-
Other Income	445,999	-	445,999	445,999	1,385,872	(939,873)
Total Revenues	446,127	98	446,029	446,127	1,386,362	(940,235)
EXPENSES:						
Management Fee - ECIDA	\$ 375	\$ 375	0	\$ 375	\$ 1,384,400	\$ (1,384,025)
Provision for Loan Losses	(1,359)	-	(1,359)	(1,359)	(5,416)	4,057
Professional Services	10,934	150	10,784	10,934	160	10,774
Interest Expense	-	-	-	-	-	-
General Office Expenses	-	-	-	-	-	-
Other Expenses	1,304	225	1,079	1,304	100	1,204
Total Expenses	11,253	750	10,503	11,253	1,379,244	(1,367,991)
NET INCOME/(LOSS):	\$ 434,873	\$ (653)	\$ 435,526	\$ 434,873	\$ 7,118	\$ 427,755

INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")

Balance Sheet

September 30, 2016

	September 30, 2016		December 31, 2015	
	ECBDF	General	ECBDF	General
	Total		Total	
ASSETS:				
Restricted/Unrestricted Cash	\$ 207,229	\$ 493,256	\$ 201,334	\$ 77,474
Loans Receivable, net	17,561	-	8,453	-
Less: Reserve for Loan losses	-	-	(1,359)	-
Loan Interest Receivable	25	-	-	-
Total Loan Assets	17,586	-	7,094	-
	<u>\$ 224,815</u>	<u>\$ 493,256</u>	<u>\$ 208,428</u>	<u>\$ 77,474</u>
Total Assets	<u>\$ 718,071</u>		<u>\$ 285,902</u>	
LIABILITIES & NET ASSETS:				
Accounts Payable	\$ 10,625	\$ -	\$ -	\$ -
Due to/(from) ECIDA	14,541	-	445	27,417
Interest Payable - HUD	21	-	29	-
Total Liabilities	25,187	-	474	27,417
Fund Balance	199,628	493,256	207,954	50,057
Total Liabilities & Net Assets	<u>\$ 224,815</u>	<u>\$ 493,256</u>	<u>\$ 208,428</u>	<u>\$ 77,474</u>
	<u>\$ 718,071</u>		<u>\$ 285,902</u>	

INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")

Income Statement

Year to Date: September 30, 2016

	Year to Date: September 30, 2016			Year Ended: December 2015		
	ECBDF	General	Total	ECBDF	General	Total
REVENUES:						
Interest Income - Loans	\$ 127	\$ -	\$ 127	\$ 500	\$ -	\$ 500
Interest Income - Cash & Inv.	-	-	-	-	1	1
Administrative Fees	-	-	-	-	-	-
Other Income	1,322	444,678	445,999	4,127	1,764,488	1,768,614
Total Revenues	\$ 1,449	444,678	446,127	4,627	1,764,489	1,769,115
EXPENSES:						
Management Fee - ECIDA	\$ 375	\$ -	\$ 375	\$ 445	\$ 1,764,488	\$ 1,764,933
Provision for Loan Losses	(1,359)	-	(1,359)	(6,632)	-	(6,632)
Professional Services	10,757	176	10,934	235	90	325
General Office Expenses	-	-	-	-	-	-
Other Expenses	1	1,303	1,304	1,096	27,417	28,513
Total Expenses	\$ 9,774	1,479	11,253	(4,856)	1,791,995	1,787,139
NET INCOME/(LOSS) BEFORE NON-RECURRING ITEMS:	\$ (8,325)	443,198	434,873	9,483	(27,506)	(18,024)
NET INCOME/(LOSS):	\$ (8,325)	\$ 443,198	\$ 434,873	\$ 9,483	\$ (27,506)	\$ (18,024)

**BUFFALO AND ERIE COUNTY INDUSTRIAL
LAND DEVELOPMENT CORPORATION**

RESOLUTION

A meeting of the directors of the Buffalo and Erie County Industrial Land Development Corporation was convened on October 26, 2016 at 10:45 a.m.

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

**RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND
DEVELOPMENT CORPORATION TO ENGAGE THE SERVICES OF THE BUFFALO AND
ERIE COUNTY REGIONAL DEVELOPMENT CORPORATION**

WHEREAS, the Buffalo and Erie County Industrial Land Development Corporation (the "Corporation") is authorized and empowered by Section 1411 of the Not-for-Profit Corporation Law of the State of New York, and Resolution Nos. 218 of 2009 adopted by the Erie County Legislature (the "Legislature") on July 24, 2009, as amended by Resolution No. 295 of 2009, adopted by the Legislature on November 19, 2009, Resolution Intro 5-3 (2010) adopted by the Legislature on March 25, 2010, and Resolution No. 110 of 2011, adopted by the Legislature on June 20, 2011, to relieve and reduce unemployment, promote and provide for additional and maximum employment and better job opportunities in Erie County (the "County") and to lessen the burdens of government and act in the public interest; and

WHEREAS, the Buffalo and Erie County Regional Development Corporation (the "RDC") is an affiliate of the Corporation and was established and empowered, amongst other reasons, for the purpose of making direct loans to existing and new companies utilizing the resources in its Revolving Loan Fund (the "RLF"); and

WHEREAS, the RDC and the ILDC are both empowered to issue bonds and notes and other obligations for the public purposes of relieving and reducing unemployment and promoting and providing for additional and maximum employment, bettering and maintaining job opportunities by attracting new industry to the County, or by encouraging the development of, or retention of, an industry in the County; and

WHEREAS, the RDC is the only entity in Erie County that is fully staffed and funded via its RLF, to accomplish the aforementioned purposes, in a manner consistent with the powers and purposes of the ILDC; and

WHEREAS, the ILDC desires to engage the Services of the RDC to enable the ILDC to better undertake its corporate purposes as described above, and to enable the ILDC to assist in undertaking its corporate purposes to construct, acquire, rehabilitate and improve for use by others industrial or manufacturing plants in the County and to assist financially in such construction, acquisition, rehabilitation and improvement of such industrial and manufacturing facilities in the County; and

WHEREAS, the procurement of services from the RDC are to be procured as a “Sole Source Procurement” under Section (B)(2) of the ILDC’s Procurement Policy.

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. The Corporation hereby approves and authorizes the ILDC to engage the services of the RDC, in an amount not to exceed \$287,431.50, to assist the ILDC in undertaking its corporate purposes to construct, acquire, rehabilitate and improve for use by others industrial or manufacturing plants in the County and to assist financially in such construction, acquisition, rehabilitation and improvement of such industrial and manufacturing facilities in the County.

Section 2. The ILDC hereby confirms that the procurement of services from the RDC to assist the ILDC with meeting its corporate purposes as described herein can be procured as a “sole source” procurement because the RDC is the best source from which the ILDC can obtain such services in the marketplace due to the fact that the ILDC and the RDC share the same corporate purposes and powers, staff, and officers, because no other services provide substantially equivalent or similar benefits given the limited purposes and powers of the ILDC and the RDC, and because in consideration of the benefits to be obtained, the cost to the ILDC is reasonable and as a result, the ILDC hereby approves and authorize the engagement of the RDC to assist the ILDC in the carrying out of its corporate purposes in an amount not to exceed \$287,431.50.

Section 3. The Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer are hereby authorized, on behalf of the ILDC, to negotiate, execute and deliver the appropriate services agreement and any related documents and the officers, employees and agents of the ILDC are hereby authorized and directed for and in the name and on behalf of the ILDC to do all 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 this resolution.

Section 4. This Resolution shall take effect immediately.

Dated: October 26, 2016