



**Buffalo and Erie County Industrial Land Development Corporation  
Board of Directors Meeting  
October 31, 2017  
@ 10:00 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 27, 2017 Meeting of the Membership (Pages 2-5)

**3.0 Reports / Action Items / Information Items:**

3.1 Financial Report (Pages 6-9)

3.2 Proposed Budget Timetable (Page 10)

3.3 Approval of 2018 Operating Budget (Pages 11-14)

3.4 ILDC Tax Exempt Bonds 2016/2017 (Page 15)

3.5 Approval of Resolution to sign contract with the U.S. Department of Commerce Economic Development Administration RE: Bethlehem Steel Industrial Site Redevelopment Project (Pages 16-17)

**4.0 Adjournment - Next Meeting November 28, 2017 at 8:45 a.m.**

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

**DATE AND PLACE:** September 27, 2017, at the Erie County Industrial Development Agency, 95 Perry Street, 5<sup>th</sup> Floor ESD Conference Room, Buffalo, New York 14203

**PRESENT:** Richard Lipsitz, Jr., Hon. Joseph C. Lorigo, Hon. John Mills, Hon. Mark C. Poloncarz and Maria Whyte

**EXCUSED:** Hon. Byron W. Brown and John J. Mudie

**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:** Andrew Federick, Erie County Senior Economic Development Specialist and Mike Szukala

There being a quorum present at 8:45 a.m., the meeting of the Board of Directors of the ILDC was called to order by Mr. Poloncarz.

**MINUTES**

Upon motion made by Mr. Lorigo, and seconded by Mr. Lipsitz, the August 23, 2017 minutes of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) meeting were unanimously approved.

**REPORTS / ACTION ITEMS / INFORMATION ITEMS**

Financial Report. Ms. Profic presented the August 2017 Financial Report and noted that the ILDC finished the month with total assets of \$2.75 million and net assets of \$2.7 million. Ms. Profic commented that the monthly income statement shows revenue of \$339,000 and expenses of \$361,000, plus grant income from the ECIDA of \$25,000, resulting in net income of \$2,600 for the month. Other income of \$339,000 represents the administrative fee received from the ILDC Tapestry Charter School bond closing. Ms. Profic noted that fee income was then passed through to the ECIDA. Professional services for August were related to legal costs associated with the ILDC’s Bethlehem Steel land purchase. To date, the income statement reflects operating revenues of \$486,000 and expenses of \$610,000, combined with grant income

of \$2.6 million resulting in net income of \$2.5 million so far in 2017. Mr. Poloncarz directed that the report be received and filed.

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

Finance & Audit Committee Update. Ms. Profic introduced Mike Szukala, as Chair of the Finance and Audit Committee. Ms. Profic noted that at the most recently completed joint meeting of the ECIDA, RDC and ILDC Finance and Audit Committee, that the professional auditing services request for proposals was reviewed, and the draft 2018 budgets and three-year forecasts for the ECIDA, RDC and ILDC were also reviewed. Mr. Poloncarz directed that the report be received and filed.

Proposed Budget Timetable. Ms. Profic reviewed the 2018 budget timetable including upcoming events and due dates. Mr. Poloncarz directed that the report be received and filed.

Review of the 2018 Budget. Ms. Profic noted that the proposed budget is included within the Board packet materials and stated that revenue is budgeted at \$500 from loan interest income. As in the past, Ms. Profic noted that the ILDC's budget does not include any bond issuance fees because such bond issuances cannot be reasonably predicted such that the budget is a conservative budget. In the expenses, Ms. Profic noted that the ILDC has increased the budgeted amount for ECIDA management fees because ECIDA staff is spending more time on ILDC projects, and particularly the Bethlehem Steel project, than in prior years. There are also increases in professional services for audit and legal fees, and other expenses (including sewer tax and insurance related to the Bethlehem Steel project). Ms. Profic commended that the special project revenue and expenses budgeted for 2018 include \$1.4 million reimbursement from the New York State Empire State Development Corporation's \$2,780,000 grant for the Bethlehem Steel land acquisition which will be reimbursed by the ILDC to the ECIDA's UDAG fund as well as \$200,000 granted from the ECIDA as an estimate of carrying costs related to the land purchase. This leads to a budgeted net loss of \$35,000 for 2018. In addition, Ms. Profic reviewed the 2018 proposed three-year forecast noting that land sales of the Bethlehem Steel property are contemplated to be initiated in 2020-2021. Mr. Poloncarz directed that the report be received and filed.

Auditing Services Procurement Memo. Ms. Profic outlined the auditing services procurement process undertaken for the recent auditing services request for proposals. Ms. Profic noted that proposals were solicited in July, 2017, and five responses were received. Three staff members reviewed the proposals and scored them based on criteria contained within the materials presented to you today. As previously mentioned, the Finance and Audit Committee met on September 12, 2017 and concurred with the staff committee recommendation selecting Freed Maxick to provide professional auditing services to the ILDC for the 2017 and 2018 audits, with an option of contracting with the firm for 2019, 2020, and 2021. Mr. Lipsitz moved, and Ms. Whyte seconded, to select Freed Maxick to provide professional auditing services for the 2017 and 2018 fiscal years and to continue to allow Freed Maxick to be retained to provide auditing services for 2019, 2020 and 2021 based on satisfactory review and approval of the ILDC's Finance and Audit Committee of Freed Maxick's prior performance. Mr. Poloncarz called for the vote, and the motion was unanimously approved.

Banking Resolution Approval. Ms. Profic reminded Board members that on August 23, 2017, the ILDC approved designation of M&T Bank as the official depository of funds. Related thereto, M&T Bank has a standard form of a public funds certified resolution which they require be approved by this Board. Mr. Lorigo moved, and Ms. Whyte seconded, to approve of this M&T Bank public funds certified resolution. Mr. Poloncarz called for the vote, and the aforementioned motion was unanimously approved.

BCP Cover Change Order. Mr. Cappellino updated members on the acquisition and remediation of the Bethlehem Steel real property recalling that in February of 2017, the ECIDA resolved to grant the ILDC \$6,700,000 to fund the carrying and acquisition costs for the purchase of approximately 150 acres of the former Bethlehem Steel site in Lackawanna, New York. As a condition of the purchase, the ILDC required the current property owner to install a certain land cover system to meet New York State Brownfield Cleanup program requirements on approximately 90 acres of the property by December 31, 2017. This would ensure the ILDC that the property would receive a certificate of completion for the remediation and future projects would be eligible for Brownfield Cleanup Program tax credits. Mr. Cappellino noted the original budget request for the acquisition was based on costs associated with utilizing slag as the cover material for the 90 acres. Due to a delay in gaining Albany DEC approval for the slag cover system, the cover system was switched to a soil cover system. The switch to soil allowed for the property to continue to be covered in an effort to meet the December 31, 2017 Brownfield Cleanup Program deadline. The change in cover material from slag to soil will result in an increased cost of approximately \$700,000 to cover the full 90 acres of property as was originally planned. Mr. Cappellino noted that the original funding allocation will allow for the installation of the soil cover system on approximately 70 acres of the site such that this change order request of an additional \$700,000 will allow the ILDC to pursue covering an additional 20 acres which will allow for the cover system to be installed on the full 90 acres as originally planned should the scheduled allow. In the event the schedule does not allow for the full completion of the additional 20 acre cover system, any unused funds associated with this change order would be returned to the ECIDA UDAG fund.

Mr. Lorigo asked how much money is in the ECIDA's UDAG fund. Mr. Cappellino responded that the UDAG fund consists of approximately \$13 million and noted that if the ILDC is able to sell the Bethlehem Steel property, 50% of all such sale proceeds will be returned to the ECIDA's EDAG fund.

Mr. Poloncarz noted that the ILDC has already purchased real property associated with Phase 1 and Phase 2 of the Bethlehem Steel site and noted that ECIDA UDAG funds are extremely restrictive, however, such funds can be used for land acquisition.

Mr. Lipsitz moved, and Ms. Whyte seconded, to approve of the following resolution:

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (THE "ILDC") AUTHORIZING THE ILDC TO RECEIVE ADDITIONAL FUNDING IN THE AMOUNT OF \$700,000 FROM THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY'S ("AGENCY") U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT ("UDAG") REFLOW FUND TO ENABLE THE ILDC TO COMPLETE ITS PURCHASE OF

CERTAIN REAL PROPERTY LOCATED ON THE FORMER BETHLEHEM STEEL SITE  
IN LACKAWANNA, NEW YORK (THE "REAL PROPERTY")

Mr. Poloncarz called for the vote, and the aforementioned resolution was unanimously approved.

ILDC Tax Exempt Bonds 2016/2017. Ms. Fiala reviewed ILDC tax exempt bond closings with Board members. Mr. Poloncarz directed that the report be received and filed.

2018 ILDC Board Meeting Schedule. Mr. Poloncarz reviewed the 2018 ILDC Board Meeting Schedule with the members. Mr. Poloncarz then directed that the report be received and filed.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 9:03 a.m.

Dated: September 27, 2017

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Robert G. Murray, Secretary

**Industrial Land Development Corp.**

**Financial Statements**

As of September 30, 2017

# INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")

## Balance Sheet

September 30, 2017

|                                      | September<br>2017 | August<br>2017 | December<br>2016 |
|--------------------------------------|-------------------|----------------|------------------|
| <b>ASSETS:</b>                       |                   |                |                  |
| Restricted Cash *                    | \$ 194,304        | \$ 197,603     | \$ 215,046       |
| Loans Receivable, net                | 28,406            | 29,188         | 17,586           |
| Loan Interest Receivable             | 25                | 25             | 25               |
| Total Loan Assets                    | 28,431            | 29,213         | 17,611           |
| Fixed Assets                         | 4,520,762         | 2,525,478      | -                |
| Total Assets                         | \$ 4,743,497      | \$ 2,752,294   | \$ 232,657       |
| <b>LIABILITIES &amp; NET ASSETS:</b> |                   |                |                  |
| Accounts Payable                     | \$ 15,448         | \$ 22,151      | \$ 3,860         |
| Due to/(from) ECIDA                  | 446               | 404            | 1,039            |
| Interest Payable - HUD               | 18                | 15             | 31               |
| Total Liabilities                    | 15,911            | 22,570         | 4,930            |
| Restricted Fund Balance              | 4,727,586         | 2,729,724      | 227,727          |
| Total Liabilities & Net Assets       | \$ 4,743,497      | \$ 2,752,294   | \$ 232,657       |

|                                  | September<br>2017 | August 2017 | December<br>2016 |
|----------------------------------|-------------------|-------------|------------------|
| <b>* Loan Portfolio Summary:</b> |                   |             |                  |
| # of Loans                       | 2                 | 2           | 2                |

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

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")****Income Statement**

Month of September 2017

|  | <b>Actual vs. Budget</b> |                 |                     |
|--|--------------------------|-----------------|---------------------|
|  | <b>Actual</b>            | <b>Budget</b>   | <b>Variance</b>     |
| <b>REVENUES:</b>   |                          |                 |                     |
| Interest Income - Loans                                  | \$ 49                    | \$ 3            | \$ 46               |
| Other Income   | -                        | -               | -                   |
| Total Revenues   | <u>49</u>                | <u>3</u>        | <u>46</u>           |
| <b>EXPENSES:</b>   |                          |                 |                     |
| Management Fee - ECIDA                                   | \$ 42                    | \$ 42           | 0                   |
| Professional Services                                    | 11,785                   | 25              | 11,760              |
| Other Expenses   | -                        | 50              | (50)                |
| Total Expenses   | <u>11,827</u>            | <u>117</u>      | <u>11,710</u>       |
| <b>SPECIAL PROJECT GRANTS:</b>                           |                          |                 |                     |
| ECIDA Bethlehem Industrial Park Grant                    | <u>2,009,640</u>         | <u>-</u>        | <u>2,009,640</u>    |
| <b>NET INCOME/(LOSS) BEFORE<br/>NON-RECURRING ITEMS:</b> | <u>\$ 1,997,862</u>      | <u>(114)</u>    | <u>1,997,976</u>    |
| <b>NET INCOME/(LOSS):</b>                                | <u>\$ 1,997,862</u>      | <u>\$ (114)</u> | <u>\$ 1,997,976</u> |



**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**

**Income Statement**

Year to Date: September 30, 2017

|  | Actual vs. Budget   |                   |                     | Actual vs. Prior Year |                   |                     |
|--|---------------------|-------------------|---------------------|-----------------------|-------------------|---------------------|
|  | Actual              | Budget            | Variance            | Actual                | Prior Year        | Variance            |
| <b>REVENUES:</b>   |                     |                   |                     |                       |                   |                     |
| Interest Income - Loans                                  | \$ 451              | \$ 23             | \$ 428              | \$ 451                | \$ 127            | \$ 324              |
| Other Income   | 485,885             | -                 | 485,885             | 485,885               | 445,999           | 39,886              |
| <b>Total Revenues</b>                                    | <b>486,336</b>      | <b>23</b>         | <b>486,313</b>      | <b>486,336</b>        | <b>446,126</b>    | <b>40,210</b>       |
| <b>EXPENSES:</b>   |                     |                   |                     |                       |                   |                     |
| Management Fee - ECIDA                                   | \$ 484,059          | \$ 375            | 483,684             | \$ 484,059            | \$ 375            | \$ 483,684          |
| Provision for Loan Losses                                | -                   | -                 | -                   | -                     | (1,359)           | 1,359               |
| Professional Services                                    | 131,732             | 225               | 131,507             | 131,732               | 10,934            | 120,798             |
| Other Expenses   | 5,876               | 450               | 5,426               | 5,876                 | 1,304             | 4,572               |
| <b>Total Expenses</b>                                    | <b>621,667</b>      | <b>1,050</b>      | <b>620,617</b>      | <b>621,667</b>        | <b>11,254</b>     | <b>610,413</b>      |
| <b>SPECIAL PROJECT GRANTS:</b>                           |                     |                   |                     |                       |                   |                     |
| ECIDA Bethlehem Industrial Park Grant                    | 4,635,190           | -                 | 4,635,190           | -                     | -                 | 4,635,190           |
|  | 4,635,190           | -                 | 4,635,190           | -                     | -                 | 4,635,190           |
| <b>NET INCOME/(LOSS) BEFORE<br/>NON-RECURRING ITEMS:</b> | <b>4,499,859</b>    | <b>(1,028)</b>    | <b>4,500,886</b>    | <b>(135,331)</b>      | <b>434,872</b>    | <b>4,064,987</b>    |
| <b>NET INCOME/(LOSS):</b>                                | <b>\$ 4,499,859</b> | <b>\$ (1,028)</b> | <b>\$ 4,500,886</b> | <b>\$ (135,331)</b>   | <b>\$ 434,872</b> | <b>\$ 4,064,987</b> |



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

**2018 Budget Review**

| <u>Date</u>                            | <u>Description</u>   |     |
|--|--|-----|
| July-August                            | Review of proposed 2018 budgets by ECIDA management.<br>(a) Prioritize any proposed budget requests for initiatives.<br>(b) Formal budget requests compiled. | ✓   |
| September 12 <sup>th</sup>             | Finance & Audit Committee review/approval of proposed budgets.   | ✓   |
| September 27 <sup>th</sup>             | Formal review of 2018 draft budgets at Board meetings.   | ✓   |
| October 5 <sup>th</sup><br>(12:00 pm)  | Board Q&A budget session #1 (voluntary).   | ✓   |
| October 12 <sup>th</sup><br>(10:00 am) | Board Q&A budget session #2 (voluntary).   | ✓   |
| October 17 <sup>th</sup>               | Adjustments to budget based on Board feedback and Finance & Audit Committee approval of final budgets <i>(if necessary)</i> .                                | N/A |
| October 25 <sup>th</sup>               | Board meeting – action to approve final 2018 budgets.  |     |
| November 1 <sup>st</sup>               | Deadline for final approved budget to be submitted to the ABO.   |     |

**Industrial Land Development Corp**  
**2018 Budget**

# ***Industrial Land Development Corporation (ILDC)***

## **Proposed 2018 Budget + 3 Year Forecast**

The Industrial Land Development Corporation (“ILDC”) consists of two sub-funds (Erie County’s Business Development Fund (BDF) and a general fund). The ILDC administers the BDF loan fund on behalf of Erie County for HUD-eligible small businesses that would not otherwise be able to obtain such financing from commercial sources. The ILDC also issues tax-exempt bonds on behalf of various not-for-profit organizations in Erie County.

### **A. Overview of Changes in 2018 Budget:**

The following summarizes the key changes between the 2018 budget and the projected 2017 results:

- The decrease in both Other Income and ECIDA Management Fee is due to the fact that in 2017, the ILDC received income from issuing tax-exempt debt that is paid to the ECIDA under a shared services agreement as compensation for the services ECIDA performs. No such fee income is budgeted in the ILDC for 2018 due to the infrequent nature of bond issuances.
- The Special Projects section of the budget relates to ILDC’s acquisition of land in 2017. \$6.7 million was granted to ILDC from ECIDA in 2017, \$5.7 to acquire this land and \$1 million for carrying costs. \$200,000 is budgeted to be used in 2018 toward these carrying costs. ILDC also anticipates receiving the first installment of grant revenue from Empire State Development to offset the cost of the land purchase, which will be passed through to ECIDA’s UDAG Fund. Correspondingly, the increase in Professional Services budget to \$3,800 in 2018 relates to anticipated legal and accounting costs.

### **B. Summary of Risk Factors impacting the 2018 Budget:**

The following significant risk factor may influence the 2018 budget:

1. Due to numerous uncertainties, the value of collateral, guarantees, etc., ILDC’s may experience loan losses that are currently not included in the budget.
2. In the past, the ILDC has generated fee income from issuing tax-exempt debt. These monies are received directly by ILDC and then paid to ECIDA. However, due to the infrequent nature of these activities, and the uncertainty as to when such transactions will occur, ILDC has not included any bond closings in the 2018 budget. It is possible a tax-exempt bond is issued within the next year and both income and expenses will be recognized, accordingly.

**BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**  
**Proposed Budget for 2018**

|  | <b>Proposed<br/>Budget<br/>2018</b> | <b>Approved<br/>Budget<br/>2017</b> | <b>Projected<br/>2017</b> | <b>Actual<br/>2016</b> |
|--|-------------------------------------|-------------------------------------|---------------------------|------------------------|
| <b>REVENUES:</b>                               |                                     |                                     |                           |                        |
| Interest Income - Loans                        | \$ 500                              | \$ 30                               | \$ 603                    | \$ 228                 |
| Grant Revenue                                  | -                                   | -                                   | -                         | -                      |
| Other Income                                   | -                                   | -                                   | 510,885                   | 445,999                |
| Total Revenues                                 | 500                                 | 30                                  | 511,488                   | 446,227                |
| <b>EXPENSES:</b>                               |                                     |                                     |                           |                        |
| ECIDA Management Fee*                          | \$ 29,000                           | \$ 500                              | 484,184                   | \$ 158,212             |
| Provision for Loan Losses                      | -                                   | -                                   | -                         | (1,359)                |
| Professional Services                          | 3,800                               | 300                                 | 33,898                    | 30,535                 |
| General Office Expenses                        | -                                   | 100                                 | -                         | -                      |
| Other Expenses                                 | 2,750                               | 500                                 | 1,915                     | 289,123                |
| Total Expenses                                 | 35,550                              | 1,400                               | 519,997                   | 476,511                |
| <b>SPECIAL PROJECTS:</b>                       |                                     |                                     |                           |                        |
| Industrial Land Park (ECIDA/ESD grants)        | 1,600,000                           | -                                   | 5,700,000                 | -                      |
| Industrial Land Park costs/grant reimbursement | (1,600,000)                         | -                                   | -                         | -                      |
|  | -                                   |                                     | 5,700,000                 | -                      |
| <b>NET INCOME/(LOSS):</b>                      |                                     |                                     |                           |                        |
|  | \$ (35,050)                         | \$ (1,370)                          | \$ 5,691,491              | \$ (30,284)            |

\* Represents an allocation of salary and benefit costs from the ECIDA based on time charged to the ILDC.

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**  
**Proposed 3-Year Forecast 2019-2021**

|  | <b>Proposed<br/>Budget<br/>2018</b> | <b>Forecast<br/>2019</b> | <b>Forecast<br/>2020</b> | <b>Forecast<br/>2021</b> |
|--|-------------------------------------|--------------------------|--------------------------|--------------------------|
| <b>REVENUES:</b>                               |                                     |                          |                          |                          |
| Interest Income - Loans                        | \$ 500                              | \$ 375                   | \$ 225                   | \$ 100                   |
| Interest Income - Cash & Investments           | -                                   | 25                       | 25                       | 25                       |
| Proceeds from Land Sales                       | -                                   | -                        | 250,000                  | 250,000                  |
| <b>Total Revenues</b>                          | <b>500</b>                          | <b>400</b>               | <b>250,250</b>           | <b>250,125</b>           |
| <b>EXPENSES:</b>                               |                                     |                          |                          |                          |
| ECIDA Management Fee*                          | \$ 29,000                           | \$ 30,000                | \$ 30,000                | \$ 30,000                |
| Professional Services                          | 3,800                               | 3,500                    | 3,600                    | 3,800                    |
| Other Expenses                                 | 2,750                               | 2,500                    | 4,000                    | 5,000                    |
| <b>Total Expenses</b>                          | <b>35,550</b>                       | <b>36,000</b>            | <b>37,600</b>            | <b>38,800</b>            |
| <b>SPECIAL PROJECTS:</b>                       |                                     |                          |                          |                          |
| Industrial Land Park (ECIDA/ESD grants)        | 1,600,000                           | 900,000                  | 880,000                  | 200,000                  |
| Industrial Land Park costs/grant reimbursement | (1,600,000)                         | (900,000)                | (880,000)                | (200,000)                |
|  | -                                   | -                        | -                        | -                        |
| <b>NET INCOME/(LOSS):</b>                      | <b>\$ (35,050)</b>                  | <b>\$ (35,600)</b>       | <b>\$ 212,650</b>        | <b>\$ 211,325</b>        |

\* Represents an allocation of salary and benefit costs from the ECIDA based on time charged to the ILDC.

ILDC - Tax Exempt Bonds 2016/2017

| Project Name                                   | Inducement Date | Inducement Amount     | Closing Date | Closing Amount        | Project Status |
|--|-----------------|-----------------------|--------------|-----------------------|----------------|
| 854 Ellicott Street, LLC (ILDC)                | 6/22/2016       | \$ 53,500,000         | 9/9/2016     | \$ 44,328,500         | Active         |
| Charter School for Applied Technologies (ILDC) | 4/26/2017       | \$ 27,817,334         | 7/28/2017    | \$ 22,995,000         | Active         |
| Tapestry Charter School (ILDC)                 | 5/24/2017       | \$ 35,000,000         | 8/3/2017     | \$ 33,900,000         | Active         |
| <b>Total</b>                                   |                 | <b>\$ 116,317,334</b> |              | <b>\$ 101,223,500</b> |                |

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

A meeting of the Buffalo and Erie County Industrial Land Development Corporation was convened on October 25, 2017, at 4:00 p.m.

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

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) AUTHORIZING THE ILDC TO ENTER INTO A CERTAIN FINANCIAL ASSISTANCE AWARD AGREEMENT WITH THE U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION (“EDA”) TO FUND THE INFRASTRUCTURE/UTILITY MASTER PLAN AND PLANNING PROCESS RELATED THERETO WITH RESPECT TO THE FORMER BETHLEHEM STEEL PROPERTY NOW OWNED OR TO BE OWNED BY THE ILDC AND LOCATED IN LACKAWANNA, NEW YORK

WHEREAS, the ILDC is in the process of acquiring approximately 150 acres of real property located on the former Bethlehem Steel site in Lackawanna, New York (the “Real Property”) which is currently owned by Tecumseh Redevelopment Inc. (“Tecumseh”) and desires to position the Real Property for redevelopment (collectively, the “Project”); and

WHEREAS, in the fall of 2017, the ILDC submitted a grant application to the EDA to support the development of an Infrastructure/Utility Master Plan to help prepare the Real Property for private investment and redevelopment; and

WHEREAS, the Infrastructure/Utility Master Plan will provide the ILDC with a road map for planning improvements and upgrades to meet future needs in maintaining cost effective infrastructure (water, wastewater, electric, gas, road, etc.) to service anticipated future users and occupants of the Real Property; and

WHEREAS, on September 28, 2017, the ILDC received an EDA Financial Assistance Agreement Award (the “EDA Grant”) in the amount of \$362,500 to assist in funding the Infrastructure/Utility Master Plan, conditioned upon the ILDC providing local cost sharing in the amount of \$362,500, for a total Infrastructure/Utility Master Plan cost of \$725,000; and

WHEREAS, the ILDC desires to accept the EDA Grant in the amount of \$362,500 to assist in funding the Infrastructure/Utility Master Plan and to appropriate the required local match expenditure in the amount of \$362,500 (the “Local Match”) as so required by EDA and as a condition of receipt of the EDA Grant; and



WHEREAS, the ILDC is in the process of securing additional grant awards from other third party sources for the Local Match and has already secured a \$30,000 grant from National Fuel towards this effort.

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

Section 1. The ILDC hereby approves and accepts the terms and conditions of the EDA Grant and authorizes the expenditure of the required Local Match, as required by the EDA Grant, to prepare the Infrastructure/Utility Master Plan.

Section 2. The Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the ILDC are hereby authorized, on behalf of the ILDC, to execute and deliver a the Financial Assistance Award Agreement, along with any other related agreements and documents (collectively, the "Documents") as so required by the EDA Grant, in such form as approved by counsel to the ILDC and as approved by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the ILDC.

Section 3. 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 required and to execute and deliver all such checks, certificates, 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 ILDC with all of the terms, covenants and provisions of the documents executed for and on behalf of the ILDC.

Section 4. These Resolutions shall take effect immediately.

Dated: October 25, 2017