Hamburg Industrial Development Agency

Board of Directors Meeting August 26, 2016 Robert Chesbro Conference Room

Present
Jeff Brylski
Tom Moses
Cameron Hall
Bob Reynolds
Wenceslao Valentin

Patricia Paul

Excused
Lou McDonald
Janet Plarr
Norma Rusert-Kelly

Guests Nathan Neill Craig Cwick Phil Riggs

Executive Director
Michael J. Bartlett

Executive Assistant
Olivia Hill

- Move to open the Board of Directors meeting at 8:02 am.
- A request from JR Fort Collins, LLC and MREIC Buffalo NY, LLC to assign leasehold interest in the 2015 JR Fort Collins, LLC to MREIC Buffalo NY, LLC and the refinancing of the project was discussed. JR Fort Collins, LLC was intended to be the lessee only during the construction of the project with the understanding that following completion, interest in the project would be assigned to an LLC to be formed. MREIC Buffalo NY, LLC is the LLC formed. The Agency consented to this arrangement in a resolution passed by the Board in March 2015.

Before acting on the resolution, Executive Director Bartlett raised the question with the Board as to what the Agency fee should be. Our approved Fee Schedule calls for a fee of one quarter of one percent of Agency Administrative fee which would have been due if the project was a new project but reduced by the percentage of the benefit already received with respect to real property tax abatement. Based on a project cost of \$23,500,000.00 and the fact the PILOT has not yet started, the Agency Fee would be \$58,750.00. The question is if the Agency knew the original lease was temporary and we have already received approximately \$340,000 in fees from JR Fort Collins, LLC, do we want to charge the full fee or would the Board be willing to accept a lower amount. The Board felt that since the company was provided with a copy of our Fee Schedule it should be aware of the fees associated with this transaction. It was decided to bill the company for the full Agency fee of \$58,750.00 but remain open to negotiating the fee if the company protests.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AMENDMENT AND ASSIGNMENT AND ASSUMPTION AGREEMENT, A CONSOLIDATED MORTGAGE, AND AN ASSIGNMENT OF RENTS AND THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS AND AGREEMENTS REQUIRED IN CONNECTION THEREWITH IN CONNECTION WITH ASSIGNMENT BY JR FORT COLLINS, LLC OF THEIR LEASEHOLD INTEREST IN THE 2015 JR FORT COLLINS, LLC PROJECT TO MREIC BUFFALO NY, LLC AND THE REFINANCING OF THE PROJECT

Moved: Bob Reynolds Seconded: Wenceslao Valentin

Ayes: Moses, Paul, Brylski, Hall, Reynolds, Valentin

Nays: none Carried

- A request has been received from Robert J. Brunner to allow RJB Solutions LLC (a newly formed LLC) to assume the leasehold interests of Robert J. Brunner in the 2011 JP Fitzgerald's Inc. Project along with approving the refinancing of the project.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ASSIGNMENT TO AND ASSUMPTION BY RJB SOLUTIONS, LLC OF THE LEASEHOLD INTEREST OF

ROBERT J. BRUNNER IN THE 2011 JP FITZGERALD'S, INC. PROJECT LOCATED AT 4236 AND 4250 CLARK STREET, HAMBURG, NEW YORK AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED LEASE TO AGENCY AND AMENDED AND RESTATED LEASEBACK AGREEMENT OR IN THE ALTERNATIVE AN AMENDMENT TO LEASE TO AGENCY AND LEASEBACK AGREEMENT AND THE EXECUTION AND DELIVERY OF A MORTGAGE IN THE PRINCIPAL AMOUNT OF \$1,500,000 FROM RJB SOLUTIONS, LLC AND THE AGENCY TO LAKE SHORE SAVINGS BANK AND OTHER SECURITY DOCUMENTS REQUIRED IN CONNECTION THEREWITH

Moved: Cameron Hall Seconded: Patti Paul

Aves: Moses, Reynolds, Valentin, Brylski, Hall, Paul

Nays: none Carried

- Ford Motor Company's sales tax exemption status through the HIDA is set to expire in September of this year. Ford stated that the sales tax exemption is very important to the continued viability of the plant. It is one of the key variables that allows the plant to compete for new work when the company is considering sourcing options. Ford has several other stamping plants in North America and work presently done at the Buffalo Stamping Plant could be re-sourced to any one of them if the conditions in New York become uncompetitive.

Ford intends to submit a new application for the sales tax exemption but due to new State reporting requirements, Ford's legal team is reviewing the new requirements and how to address them. Ford is requesting an extension of the existing project until December 31, 2016 to allow the legal department to come up with guidelines for meeting the new state requirements.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY GRANTING A THREE AND ONE HALF MONTH EXTENSION TO FORD MOTOR CO. BUFFALO STAMPING PLANT IN CONNECTION WITH THE 2011 FORD MOTOR CO. BUFFALO STAMPING PLANT PROJECT

Moved: Wenceslao Valentin Seconded: Jeff Brylski

Ayes: Moses, Hall, Paul, Valentin, Brylski

Nays: none

Abstain: Bob Reynolds

Carried

As mentioned at the July 8, 2016 HIDA Board meeting, the IDA Board of Directors needs to authorize the sale of a parcel of land the HIDA acquired when it purchased the house located at 70 Lakeview Avenue adjacent to the Lake Erie Commerce Center to the Hamburg New York Land Development Corporation for a sum of \$11,363.64.

RESOLUTION OF TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE SALE OF A PARCEL OF LAND TO THE HAMBURG NEW YORK LAND DEVELOPMENT CORPORATION

Moved: Patti Paul Seconded: Cameron Hall

Ayes: Moses, Brylski, Valentin, Reynolds, Paul, Hall

Nays: none Carried

Executive Director Bartlett pointed out that for many years, the HIDA Board of Directors meetings were held on the 3rd Friday of every month. We then moved away from a regular meeting date and began to meet as necessary. Mr. Bartlett said he was getting a sense that it would be easier for Board members if we went back to a regular day and week each month. He asked the Board members present for their thoughts. It was agreed that the 3rd Tuesday of each month would be the date for regularly scheduled HIDA Board meetings to be held. At the request of the Board, meetings will now begin at 7:30 am.

The Board was informed that the HIDA was served on Wednesday, August 24, 2016 with a Notice of Commencement of Action in reference to an incident that occurred July 24, 2015. The claimant was walking on a roadway or right of way at Woodlawn Avenue and/or Gateway Boulevard near Woodlawn Beach Park. Nathan Neill informed the Board that the HIDA reconveyed the property back to R&P Oak Hill in 2008 and has printed out the deed as proof. Nathan has sent an email to the Claimant's attorney attaching copies of the original 1991 deed with Buffalo Crushed Stone and the deed conveying title from the HIDA to R&P Oak Hill in 2008. Based on the HIDA having absolutely no interest in the property since 2008, he requested the Agency be removed from the claim. Mr. Bartlett was informed by Cindy Conlon that after talking with the Town's insurer, the attorney handling the Town's claim will also represent the HIDA.

Executive Director Bartlett informed the Board that Olivia Hill has requested that she be allowed to work 8:00 am to 4:00 pm. Bartlett stated he had no objections. The Board also had no objections and beginning September 6, 2016, Olivia's normal hours of work will be from 8:00 am to 4:00 pm.

- Motion to approve the minutes from the July 8, 2016 Board of Directors meeting.

Moved: Jeff Brylski Seconded: Cameron Hall

Ayes: Moses, Paul, Reynolds, Valentin, Brylski, Hall Nays: none

Nays: none Carried

- Motion to approve the June 2016 and July 2016 Treasurer's Reports

Moved: Patti Paul Seconded: Bob Reynolds

Ayes: Moses, Hall, Valentin, Brylski, Paul, Reynolds

Nays: none Carried

- Motion to adjourn at 8:46 am

Moved: Jeffrey Brylski Seconded: Tom Moses

Ayes: Valentin, Paul, Hall, Reynolds, Brylski, Moses

Nays: none Carried

Sincerely,

Michael J. Bartlett Executive Director