

REGULAR NCIDA/NCDC/NADC BOARD MEETING MINUTES

Wednesday, May 11, 2016 – 9:00 a.m.

Meeting Place: Niagara County Industrial Development Agency
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132

1.0 Meeting Called to Order

The regular meeting of the Niagara County Industrial Development Agency was called to order by Chairman Brady at 9:00 a.m.

2.0 Roll Call

Stephen F. Brady, Acting Chairman	Present
Mark A. Onesi, Second Vice Chairman	Present
Kevin McCabe, Secretary	Excused
Jerald I. Wolfgang, Assistant Secretary	Present
Michael W. McNally, Member	Present
Joan G. Aul, Member	Present
Willie C. Dunn	Present
William L. Ross	Present
Arthur G. Pappas	Present

3.0 Chairman Brady led the Pledge of Allegiance.

4.0 Introductions:

4.1.1 New Board Member Mayor Arthur G. Pappas

Chairman Brady gave a brief overview of the Mayor's various Board affiliations, accomplishments, and his involvement in the Community over the years.

4.1.2 Guests Present:

Tom Prohaska, Buffalo News
Matt Roland, Iskalo Development Corp.
David Chiazza, Iskalo Development Corp.

Staff Present:

Samuel M. Ferraro, Executive Director
Susan C. Langdon, Director of Projects & Finance
Andrea Klyczek, Director of Regional & International Marketing
Michael S. Dudley, Finance Manager
Mark J. Gabriele, Agency Counsel
Barbara A. Gill, Administrative Coordinator/Recording Secretary

5.0 Approval of NCIDA Meeting Minutes

5.1 Meeting Minutes of April 13, 2016

Chairman Brady asked for a motion to approve the meeting minutes.

Mr. Wolfgang made a motion to approve the meeting minutes; Mr. Onesi seconded the motion. The motion passed.

6.0 NCIDA/NCDC/NADC Committee Reports

6.1 Finance & Audit Committee

6.1.1 Agency Payables

Mr. Onesi stated that the Committee Members had reviewed the monthly payables and found them to be in order.

Mr. Onesi motioned to approve the payables; Mr. McNally seconded the motion. The motion passed unanimously.

6.1.2 Budget Variance Report

Mr. Onesi stated that the Committee Members had reviewed the Budget Variance Report and found the report to be in order.

Mr. Onesi made a motion to approve the Budget Variance Report; Mr. McNally seconded the motion. The motion passed.

6.1.3 IDA Revolving Loan Fund

Mark Gabriele stated that this was a loan fund that was set up from a grant and since then the grant has been repaid in full. The fund has sat dormant for the past few years, and could not be closed out as there were still outstanding loans paying into the fund.

Recently all of the outstanding loans have paid in full and the Auditors had suggested closing the fund and moving the remaining funds to the general reserves per state regulations. A subsidiary of the fund, the Capital Incentive Growth Fund, will need to be closed out first into the fund prior to its closing.

Mr. Onesi made a motion to close the IDA Loan Fund and its subsidiary; Mr. Ross seconded the motion. The motion passed unanimously.

7.0 Unfinished Business

7.1 Iskalo Development Corp.

The company has purchased 57 Canal Street in Lockport from the City, and the building consists of 3 floors. The property surrounding the building was remediated under the Brownfield Cleanup Program and an additional renovation to the building was completed.

The company is requesting a five (5) year Opportunity Zone PILOT and sales tax and mortgage recording tax abatements. The company has twenty-six (26) full-time employees with eighteen (18) new jobs to be created. Ms. Langdon stated that the Public Hearing was held on May 3, 2016 at 3:30 p.m. with no speakers.

7.1.1 Final Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF ISKALO DEVELOPMENT CORP. AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS; AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

Mr. Wolfgang made a motion to approve the Final Resolution; Mr. Dunn seconded the motion. The motion passed.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[]	[]	[X]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.0 New Business

8.1 WNY Emergency Response Center

The IDA has been asked by New York State Senator Robert Ort to assist with the redevelopment of the former Niagara Falls U.S. Army Reserve Site on Porter Rd. adjacent to the Niagara Falls International Airport. The site has been declared surplus property by the U.S. Government and is in the process of being deeded to the Town of Niagara.

The site will be redeveloped into the Western New York First Response and Preparedness Center, a planned multi-tenant facility that will house various emergency service centers along with a stockpile of emergency supplies and equipment, and a Crime Analysis Center.

The IDA has been asked to provide financial services to the project by serving as a pass-through to the Town of Niagara for a \$500,000 grant from Empire State Development earmarked for the Mercy Flight component of the project. This requires approval from the IDA Board to enter into a Grant Disbursement Agreement with Empire State Development to receive funds and a Subgrant Agreement with the Town to pass through funding by reimbursement. There are no out-of-pocket costs to the IDA.

8.1.1 Grant Disbursement Agreements

Mr. Wolfgang motioned to approve the Grant Disbursement Agreement; Ms. Aul seconded the motion. The motion passed unanimously.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.0 New Business Continued

8.2 elecDirect.com

8.2.1 Vantage Center Lease Renewal

Staff is requesting the Board Member's approval of elecDirect.com's lease for a three (3) year term commencing July 1, 2016 and ending June 30, 2019 with a three (3) year renewal option. The company is located in Unit #9 of Vantage Center.

The annual rent will now be \$33,250.00, which is an increase from the previous rent of \$30,250.00.

Mr. Onesi motioned to approve the Lease Renewal; Mr. McNally seconded the motion. The motion passed unanimously.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.3 Beach Bright, Inc.

8.3.1 Request for Loan Payoff

Ms. Langdon stated that the Agency was contacted by the principal's brother who has been authorized to be the Power of Attorney for his ailing sister, the owner of the company. He stated that he has begun the process of terminating the business, and has paid the final month's rent at the space the company leased in North Tonawanda; he is also paying off all other vendors. He requested approval to make a loan balance payoff of \$12,000.

8.0 New Business Continued

8.3 Beach Bright Continued

8.3.1 Loan Payoff Continued

At a May 2, 2016 Microenterprise Loan Review Meeting, the Committee Members agreed to recommend approval of the loan payoff in the amount of \$12,258.94 which would pay off the entire principal balance of the loan. The Committee also opted to waive the interest payment as long as the principal balance is paid off.

Mr. Wolfgang made a motion to approve the loan payoff request; Ms. Aul seconded the motion. The motion passed.

The question of the approval of the loan pay-off amount was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The loan pay-off request was duly approved.

8.4 Niagara Falls Hospitality, Inc. (Microtel)

The company has requested an extension of their sales tax exemption due to a long delay in construction; their current exemption was due to expire. They hope to open the hotel in March 2017.

Mr. McNally made a motion to approve the Sales Tax Extension request; Mr. Ross seconded the motion. The motion passed.

8.4.1 Sales Tax Extension Request

RESOLUTION AUTHORIZING THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXTEND THE SALES TAX EXEMPTION LETTER ISSUED TO NIAGARA FALLS HOSPITALITY, INC. AND EXECUTE AND DELIVER RELATED DOCUMENTS.

8.0 New Business Continued

8.4 Niagara Falls Hospitality Continued

8.4.1 Sales Tax Extension Request Continued

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.5 Ultimate Physique, Inc.

In a letter dated April 26, 2016, the company requested an extension of their sales tax exemption due to the fact that their construction is not yet completed. Their current exemption was due to expire on June 30, 2016.

8.5.1 Sales Tax Exemption Request

Mr. Onesi made a motion to approve the Sales Tax Extension request; Mr. Wolfgang seconded the motion. The motion passed.

RESOLUTION AUTHORIZING THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXTEND THE SALES TAX EXEMPTION LETTER ISSUED TO WASHINGTON HUNT, LLC AS SUCCESSOR IN INTEREST TO ULTIMATE PHYSIQUE, INC. AND EXECUTE AND DELIVER RELATED DOCUMENTS.

8.0 New Business Continued

8.5 Ultimate Physique Continued

8.5.1 Sales Tax Exemption Request Continued

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Acting Chairman Brady	[X]	[]	[]	[]
Mark A. Onesi	[X]	[]	[]	[]
Michael W. McNally	[X]	[]	[]	[]
Kevin McCabe	[]	[]	[]	[X]
Jerald I. Wolfgang	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Willie C. Dunn	[X]	[]	[]	[]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

9.0 Information Items

At this time, Mr. Wolfgang made a motion to send the former Chairman, Henry Sloma, a letter of thanks for all he has done for Niagara County and all of Western New York. Mr. Pappas seconded the motion. The motion passed. Staff will author a letter for Mr. Brady's signature.

10.0 Agency Counsel

There were no items at this time.

11.0 Report from Executive Director

Mr. Ferraro discussed that:

- The PILOT Seminar was held on April 27, 2016 and had a record attendance of over 50 people representing all of the taxing jurisdictions. Topics discussed were the new PILOT billing process overview and the PILOT calculation process followed by a question and answer session.
- The Pizza Logs groundbreaking was held on May 3, 2016 with many local representatives speaking on behalf of the project.

11.0 Executive Director Continued

- Katherine Lance will give the Economic Address on May 24, 2016 at 7 p.m. in the County Legislative Chambers to discuss the accomplishments of 2015 and the goals and objectives for 2016.
- At the June 8 Board Meeting, under the 2016 Reform Legislation Act, the Governance Committee will review and discuss a new project application and project evaluation criteria.

12.0 Any Other NCIDA Matters the Board Wishes to Discuss

Chairman Brady announced that there will be a brief BoardBook Training Webinar in the conference room directly following the Board Meeting.

13.0 Next Board Meeting:

DATE: June 8, 2016

TIME: 9:00 a.m.

PLACE: Niagara County Center for Economic Development

14.0 Adjournment

Mr. Ross made a motion, seconded by Ms. Aul to adjourn the meeting. The meeting adjourned at 9:25 a.m.

Respectfully submitted:

Reviewed by:

Approved by:

Barbara A. Gill
Recording Secretary

Samuel M. Ferraro
Executive Director

Jerald I. Wolfgang
Assistant Secretary