

REGULAR NCIDA/NCDC/NADC BOARD MEETING MINUTES

Wednesday, May 8, 2019

Meeting Time: 9 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 Chairperson Brady at 9 a.m.

2.0 Roll Call

Stephen F. Brady, Chairperson	Present
Mark A. Onesi, Vice Chairperson	Present
Joan G. Aul, First Vice Chairperson	Present
Kevin McCabe, Secretary	Present
Jerald I. Wolfgang, Assistant Secretary	Present
Willie C. Dunn, Member	Excused
William L. Ross, Member	Present
Arthur G. Pappas, Member	Present
Daryl Bodewes, Member	Present

3.0 Chairperson Brady led the Pledge of Allegiance.

4.0 Introductions

Guests Present:

Chet Patel, Omkara Hotel
Ramesh Patel, Omkara Hotel
Nick Patel, Omkara Hotel
Peyash Patel, Omkara Hotel
Richard Soluri, NF Center for Tourism
Steven Clark, Clark Property Management
Omar Abu-Sitta, Acquest Development
Tom Prohaska, Buffalo News
Jim Fink, Business First

Staff Present:

Susan C. Langdon, Executive Director
Andrea Klyczek, Assistant Director
Michael S. Dudley, Finance Manager
Dmitri Liadski, Economic Developer
Caroline Caruso, Accounting Associate
Roxanne Morgan, Property Associate
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 10, 2019

Mr. McCabe made a motion to approve the meeting minutes; Mayor Pappas seconded the motion. The motion passed.

6.0 Finance & Audit Committee Reports

6.1 Agency Payables

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

Mr. Onesi made a motion to approve the monthly payables; Mr. Wolfgang seconded the motion. The motion passed.

6.2 Budget Variance Report

Mr. Onesi stated that he had reviewed the Budget Variance Report and found it to be in order.

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

7.0 Unfinished Business

7.1 Omkara Hotel, LLC

The Project is the construction of a new Holiday Inn Express Hotel to be located in the Town of Pendleton. The company is requesting a ten (10) year PILOT, and Sales Tax and Mortgage Recording Tax Abatements. Seventeen (17) new jobs will be created. The Public Hearing was held on April 30, 2019 at the Pendleton Town Hall with five (5) attendees; no one spoke.

7.1.1 Final Resolution

Ms. Aul motioned to approve the Final Resolution; Mr. Bodewes seconded the motion. The motion passed.

7.0 Unfinished Business Continued

7.1 Omkara Continued

7.1.1 Final Resolution Continued

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF OMKARA HOTEL, LLC 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.

The question of the approval of the 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>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie C. Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]
Daryl Bodewes	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

7.2 Niagara Falls Center for Tourism LLC

The company is requesting a ten (10) year Tourism PILOT with sales and mortgage recording tax abatements. The facility offers services such as bus tours, guided exploration, historical presentations, dining, souvenirs and more. Twenty-eight (28) jobs will be retained with the creation of thirteen (13) new jobs. The Public Hearing was held on May 1, 2019 at the Niagara Falls City Hall, Room #117. There were two attendees and one speaker who was in favor of the project.

7.0 Unfinished Business Continued

7.2 NF Center for Tourism Continued

7.2.1 Final Resolution

Mr. Wolfgang motioned to approve the Final Resolution; Mr. Ross seconded the motion. The motion passed.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF NIAGARA FALLS CENTER FOR TOURISM, LLC 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.

The question of the approval of the 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>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie C. Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]
Daryl Bodewes	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.0 New Business

8.1 Clark Property Management LLC

Daisy Barn Campground is an existing campground on Route 18 in the Town of Wilson. The campground is on 36 landscaped acres and has become a major tourist destination for the area and needs to expand in order to accommodate the demand from new visitors. Located directly on the Seaway Trail, Daisy Barn is a sought-after destination for fishermen and water enthusiasts, as well as campers who enjoy the beauty of camping on the shores of Lake Ontario.

Steve Clark, a company representative, spoke about the project and the need to expand. Last season, Daisy Barn Campground reserved 90% of camping sites through their website. The property has been marketed with the aid of the Niagara County Tourism and Camping Guides. The project entails the addition of 45 campsites, a pool and bathhouse.

The company is requesting a ten (10) year Tourism PILOT and sales tax and mortgage recording tax abatements. Currently there are 3 part time employees with plans to hire three (3) more within three (3) years.

8.1.1 Preliminary Resolution

Mr. Onesi motioned to approve the Preliminary Resolution; Mr. McCabe seconded the motion. The motion passed.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF CLARK PROPERTY MANAGEMENT, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF CLARK PROPERTY MANAGEMENT, LLC FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) PROVIDE SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (v) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

8.0 New Business Continued

8.1 Clark Property Continued

8.1.1 Preliminary Resolution

The question of the approval of the 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>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[X]	[]	[]	[]
Joan G. Aul	[]	[]	[X]	[]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie C. Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]
Daryl Bodewes	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.1.2 Authorize Public Hearing

Mayor Pappas motioned to authorize the Public Hearing; Mr. Bodewes seconded the motion. Ms. Aul abstained. The motion passed.

8.2 1300 Pine Avenue LLC

The company purchased the building on Pine Avenue to house the Department of Veterans Affairs Niagara Falls Outpatient Clinic. The VA has outgrown their existing location and requires a new, larger and modern location to meet the needs of the Veterans in the community.

The current owner/occupant, Amigone Funeral Home, will remain in a portion of the building to continue its operations. The building will be renovated to convert the space to a medical office building for the VA.

Omar Abu-Sitta, a company representative, stated that there is a need for new HVAC, water/sewer repairs, the addition of a sprinkler system and restrooms that need to be updated. The company is requesting sales tax only on their project that will provide a state-of-the art clinic for veterans. There are eleven (11) current jobs with plans to hire four (4) more within three (3) years.

8.0 New Business Continued

8.2 1300 Pine Continued

Mr. Bodewes inquired about the responsibility of payment of sales tax by the VA. Mr. Abu-Sitta explained that the sales tax request was limited to non-VA purchases and that the VA was exempt on their own.

Mark Gabriele stated that the project is in a distressed area of the City of Niagara Falls.

8.2.1 Approving Resolution

Mr. Wolfgang motioned to approve the Resolution; Mr. Ross seconded the motion. The motion passed.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF 1300 PINE AVENUE, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF 1300 PINE AVENUE, LLC OR AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iii) PROVIDE SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (iv) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

8.3 Cataract Tourism Fund

The company is requesting a \$1,000,000 reimbursable grant from the fund to be used toward a family entertainment center, a rope course, arcade and other major improvements. The Cataract Tourism Fund Committee recommended approval at their May 3, 2019 meeting.

The Board Members found a discrepancy in the project costs. Discussion ensued and the Board discussed tabling the grant request awaiting further clarification of two issues, i.e. a more specific list of uses for the funds, and a more specific timetable of the project.

Richard Soluri, a company representative, stated that he would address the Board's concerns at his earliest convenience.

8.3.1 Niagara Falls Center for Tourism Grant Request

Mayor Pappas motioned to table the grant request pending further information; Ms. Aul seconded. The motion passed.

8.0 New Business Continued

8.4 Revolving Loan Fund Requests

8.4.1 Ashdan Screw Machine Products – Modification/Extension

The company currently has a loan with the NCDC with a final balloon payment due on July 1, 2019. The original loan was for a ten year term, based on a fifteen year amortization schedule with a balloon payment at the end of the ten year term.

The borrower has submitted a request to extend the payments on this loan for a five (5) year term at five percent (5%) interest.

Mr. Wolfgang motioned to approve the loan extension; Mr. Bodewes seconded the motion. The motion passed.

8.4.2 Ameri-Cut Tool Grinding, Inc. – Modification/Extension

The company has a current loan with the NCDC, and they are requesting a six (6) month extension on the loan due to financial hardship due to difficulty finding qualified employees. They are requesting interest only payments for six (6) months to allow time to catch up.

Ms. Aul motioned to approve the loan extension; Mr. Ross seconded the motion. The motion passed.

8.5 Wurlitzer Capital Group, LLC

In a letter to the Agency dated April 30, 2019, the company's counsel requested a consent to mortgage between Audubon Machinery and Wurlitzer with a second mortgage with KeyBank at the Wurlitzer Drive location in North Tonawanda.

There will be no additional incentives at this time.

8.5.1 Consent to Mortgage

Ms. Aul motioned to approve the consent to mortgage; Mayor Pappas seconded the motion. The motion passed.

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE, AND OTHER DOCUMENTS WITH REGARD TO THE WURLITZER CAPITAL GROUP LLC PROJECT.

8.0 New Business Continued

8.5 Wurlitzer Continued

8.5.1 Consent to Mortgage

The question of the approval of the 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>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[X]	[]	[]	[]
Joan G. Aul	[X]	[]	[]	[]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie C. Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]
Daryl Bodewes	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.6 Vantage Center

Staff had sent out twenty-nine (29) RFPs regarding rooftop heating units that need to be replaced along with a dedicated air conditioner for the server room. Three (3) Proposals were received and staff would like to recommend the low bid from Niagara Industrial Mechanical Services.

8.6.1 Award of Contract for Rooftop Heating Units

Mayor Pappas motioned to approve Niagara Industrial Mechanical Services; Mr. Ross seconded the motion. The motion passed.

8.7 Empire Emergency Apparatus Inc. – M. Gabriele

In a letter to the Agency, the company requested additional sales tax relief for the ongoing construction project located on Lockport Road in Niagara Falls, New York. The principals are anticipating needing an additional relief on \$400,000.00 which they feel will assist in building out the project as well as with equipment purchases.

8.7.1 Sales Tax Approval

After a brief financial discussion, Chairman Brady motioned to table the request pending further details on the additional \$400,000 project costs; Ms. Aul seconded the motion. The motion passed.

9.0 Information Items

There were no items at this time.

10.0 Agency Counsel

11.0 Any Other Matters the Board Wishes to Discuss

12.0 Next NCIDA/NCDC/NADC Meeting:

DATE: June 12, 2019

TIME: ** 9:00 a.m. **

PLACE: Niagara County Center for Economic Development

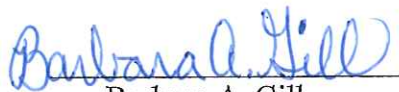
13.0 Adjournment

Mayor Pappas made a motion to adjourn; Mr. McCabe seconded the motion. The meeting adjourned at 9:50 a.m.

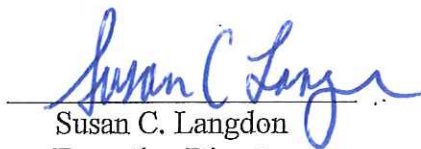
Respectfully submitted:

Reviewed by:

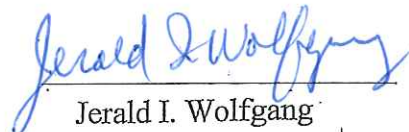
Approved by:



Barbara A. Gill
Recording Secretary



Susan C. Langdon
Executive Director



Jerald I. Wolfgang
Assistant Secretary