

NCIDA/NCDC/NADC BOARD MEETING MINUTES

Wednesday, February 10, 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 Sloma at 9:00 a.m.

2.0 Roll Call

Henry M. Sloma, Chairman	Present
Stephen F. Brady, First Vice Chairman	Present
Mark A. Onesi, Second Vice Chairman	Present
Kevin McCabe, Secretary	Present
Jerald I. Wolfgang, Assistant Secretary	Present
Michael W. McNally, Member	Absent
Joan G. Aul, Member	Present
Willie C. Dunn	Present
William L. Ross	Present

3.0 Chairman Sloma led the Pledge of Allegiance.

4.0 Introductions:

Chairman Sloma introduced welcomed Mr. Ross as the newest Board Member. He thanked Wm. Keith McNall, Chairman of the Niagara County Legislature, for attending the meeting and gave him an open invitation to attend all future Board Meetings if he so chooses.

4.1 Guests Present:

Wm. Keith McNall, Chairman, Niagara County Legislature
Michael Enright, Somerset Operating Co.
Michael Fogel, Brown Shavlow Duke & Fogel, P.C.
Jack White, Somerset Operating Co.
Tom Prohaska, Buffalo News

4.2 SurfacePro Tablets

The Board Members received their SurfacePro Tablets as part of the process of the Agency going “paperless” and beginning the use of the BoardBook software application. Chairman Sloma stated that this will be a process that may take time for Board Members to adjust to the new technology and for the next few meetings the Board will have the Tablet in addition to the usual booklets.

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 December 9, 2015

Chairman Sloma asked for a motion to approve the meeting minutes of December 9, 2015.

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

6.0 NCIDA/NCDC/NADC Committee Reports

6.1 Finance & Audit Committee

6.1.1 December 2015 Agency Payables

6.1.2 January 2016 Agency Payables

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

Mr. Onesi made a motion to approve both of the Agency's Monthly Payables; Mr. McCabe seconded the motion. The motion passed.

6.1.3 December 2015 Budget Variance Report

6.1.4 January 2016 Budget Variance Report

Mr. Onesi stated that he had reviewed the Budget Variance Reports for both months and found them to be in order.

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

6.1.5 H. Sicherman & Co. Contract Extension

Ms. Langdon referred to an agreement between the NCIDA and H. Sicherman & Co. that had an expiration date of December 31, 2015. Staff is requesting that H. Sicherman continue to provide services to the NCIDA through June 30, 2016. This will bridge a gap until a new RFP can be finalized. It will allow Mr. Sicherman to finalize two (2) Office of Community Renewal Grants currently in the works. Requests for Proposals for consulting services will be sent out via mail and also a notification will be published in the Niagara Gazette.

6.0 NCIDA/NCDC/NADC Committee Reports Continued

6.1.5 H. Sicherman & Co. Contract Extension Continued

Mr. Onesi made a motion to approve the six (6) month extension: Mr. McCabe seconded the motion. The motion passed unanimously.

7.0 Unfinished Business

7.1 Somerset Operating Company, LLC

The Company is seeking an extension of the existing amended PILOT agreement for an additional two (2) years and a downward adjustment of the current annual PILOT payment by \$500,000 per year. Ms. Langdon stated that the Public Hearing was held on January 12, 2016 with one speaker.

7.1.1 Final Resolution

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

RESOLUTION AUTHORIZING THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE AND DELIVER A CERTAIN 2016 AMENDED LEASE AGREEMENT, 2016 AMENDED LEASEBACK AGREEMENT, 2016 AMENDED PILOT AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE SOMERSET OPERATING COMPANY LLC PROJECT, AS MORE FULLY DESCRIBED BELOW.

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>
Chairman Sloma	[X]	[]	[]	[]
Stephen F. 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]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.0 New Business

8.1 Somerset Operating Company, LLC.

Riesling Power, LLC has entered into a stock purchase agreement with Upstate whereby Upstate would sell its full interest in Somerset to Riesling Power, who anticipates closing the stock sale within 60 days. Upon closing, Somerset would continue to operate the facility under the new ownership of Riesling allowing the retention of 99 jobs.

Riesling is requesting consent of the Agency to become the new owner of Somerset in place of Upstate. Consent would include the assumption, continuation and grant of project benefits running to Somerset, including the assumption of the PILOT, along with sales tax and mortgage tax benefits. Michael Enright was at the meeting to represent the Company and answer any questions the Board Members may have.

8.1.1 Preliminary Resolution

Ms. Aul made a motion to approve the Preliminary Resolution; Mr. Onesi seconded the motion. The motion passed.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF SOMERSET OPERATING COMPANY LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF SOMERSET OPERATING COMPANY LLC FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED; (ii) CONSENTING TO THE NEW OWNERSHIP STRUCTURE OF SOMERSET OPERATING COMPANY LLC; (iii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iv) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (v) PROVIDE MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING OF THE PROJECT; AND (vi) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

8.0 New Business

8.1 Somerset Operating Company, LLC.

8.1.1 Preliminary Resolution

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>
Chairman Sloma	[X]	[]	[]	[]
Stephen F. 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]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.1.2 Authorize Public Hearing

Mr. Wolfgang made a motion to authorize the Public Hearing; Mr. Brady seconded the motion. The motion passed unanimously.

8.2 Gateway Center/Borderworx – RLF/EDA #393

8.2.1 Revolving Loan Fund Request

Borderworx has purchased 31 acres of land in Vantage International Point for construction of new facilities. The project consists of the construction of a 50,000 square foot warehouse and distribution facility designed for the cross-border shipment of products manufactured in Canada and bound for the U.S. market. The Company will construct the building and then equip it with racking, product storage machinery and office furnishings and equipment.

Ms. Langdon stated that Borderworx has requested an NCDC term loan of \$200,000 to be used for equipment. The term of the loan will be 90 months and will be personally guaranteed by Dean and Brenda Wood and a Corporate Guaranty of Gateway Center WNY, LLC and Borderworx Logistics Inc., the Canadian company.

Sixty-three (63) full time employees will work at the Wheatfield facility within three (3) years.

Mr. Brady made a motion to approve the loan request as presented; Mr. Wolfgang seconded the motion. The motion passed unanimously.

8.0 New Business Continued

8.3 Uncorked Café – RLF/MAP #394

8.3.1 Microenterprise Loan Fund Request

Ms. Langdon stated that the principals are requesting an NCDC term loan of \$25,000 to be used for equipment. The restaurant will provide a full lunch and dinner menu. A fully functional wine bar will feature a very extensive and diverse wine list along with a wide selection of local and popular craft beers developed through a local distributor.

The business had a successful soft opening on December 5, 2015. This featured a limited menu focusing on select items especially appetizers, coffees, chocolates, and desserts.

Nine (9) jobs will be created, and the loan will be personally guaranteed by the principals, Andrea Williams & Michelle Szykowski.

Ms. Aul made a motion to approve the loan request as presented; Mr. Ross seconded the motion. The motion passed unanimously.

8.4 Indian Ocean, LLC

In a letter dated December 31, 2015, Nirel Patel, the Vice President of the Company, requested a Sales Tax Extension for the Courtyard by Marriott project located on Buffalo Avenue in Niagara Falls. The construction is still in full speed but the completion date has been pushed back due to unforeseen circumstances.

8.4.1 Sales Tax Extension Request

Mr. Brady made a motion to approve the Sales Tax Extension Request; Mr. Wolfgang seconded the motion. The motion passed unanimously.

RESOLUTION AUTHORIZING THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXTEND THE SALES TAX EXEMPTION LETTER ISSUED TO INDIAN OCEAN LLC AND EXECUTE AND DELIVER RELATED DOCUMENTS.

8.0 New Business Continued

8.4 Indian Ocean, LLC

8.4.1 Sales Tax Extension Request

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>
Chairman Sloma	[X]	[]	[]	[]
Stephen F. 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]	[]	[]	[]

The Resolution was thereupon duly adopted.

8.5 Precious Plate, Inc.

In a letter dated December 7, 2015, the Company requested approval to refinance their Mortgage on Liberty Drive in Wheatfield, New York. The original mortgage was through PNC Bank who granted an extension while the company works to refinance the project. They are currently working with Ridgestone Bank in Illinois on an SBA backed Mortgage.

8.5.1 Consent to Refinance Mortgage

Mr. McCabe made a motion to approve the Consent to Refinance; Mr. Onesi seconded the motion. The motion passed unanimously.

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE TO PRECIOUS PLATE, INC. AND RELATED DOCUMENTS.

8.0 New Business Continued

8.5 Precious Plate, Inc. Continued

8.5.1 Consent to Refinance Mortgage

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>
Chairman Sloma	[X]	[]	[]	[]
Stephen F. 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]	[]	[]	[]

The Resolution was thereupon duly adopted.

9.0 Information Items

There were no informational items at this time.

10.0 Agency Counsel

11.0 Any Other NCIDA Matters the Board Wishes to Discuss

12.0 Next Board Meeting:

DATE: March 9, 2016

TIME: 9:00 a.m.

PLACE: Niagara County Center for Economic Development

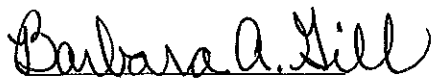
13.0 Adjournment

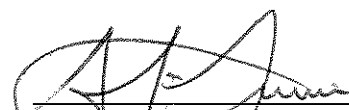
Mr. Brady made a motion, seconded by Ms. Aul to adjourn the meeting. The meeting adjourned at 9:40 a.m.

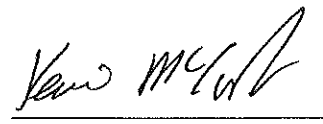
Respectfully submitted:

Reviewed by:

Approved by:


Barbara A. Gill
Recording Secretary


Samuel M. Ferraro
Executive Director


Kevin McCabe
Secretary