

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

DATE AND PLACE: September 28, 2022, at 701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLS), in the Event Space/Conference Room B2-205 on the second floor, Buffalo, New York 14203.

PRESENT: Denise Abbott, Hon. April Baskin, Hon. Howard Johnson, Richard Lipsitz, Jr., Hon. Mark C. Poloncarz and Hon. Maria Whyte

EXCUSED: Hon. Byron W. Brown

OTHERS PRESENT: John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Gerald Manhard; Chief Lending Officer/Secretary; Grant Lesswing, Director of Business Development; Andrew Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Robbie Ann McPherson, Director of Marketing & Communications; Laurie Hendrix, Administrative Coordinator and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

GUESTS: Zachary Evans, Thomas Baines and Maria White on behalf of Erie County; Alex Carducci on behalf of the City of Buffalo; Brandye Merriweather on behalf of BUDC; James Fink on behalf of Business First; and J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 1:14 p.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Chair Poloncarz.

MINUTES

Ms. Abbott moved and Ms. Whyte seconded to approve of the July 27, 2022 minutes. Mr. Poloncarz called for the vote and the minutes were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Ms. Profic presented the August 2022 financial report. The balance sheet shows the month ended with total assets of \$17.5M. Cash and grants receivable decreased, while loans receivable increased during the month. Grants receivable of \$7.7M represent amounts awarded by several sources, the largest being Buffalo Billion II Funds of \$6.7M from Empire State Department. Liabilities are mainly deferred grant revenue of \$9.3M. Net assets total \$7.9M. Three loans under the County Microloan program closed during the month. The August income statement shows \$105,000 of revenue, mainly grant income received from loans under the County's Microloan program. There were also \$21,000 of expenses and \$119,000 of special project expenses, resulting in a net loss of \$35,000 in August. The largest portion of the special project expenses was reimbursement to ECIDA's UDAG fund of \$103,625 from the most recent land sale at Renaissance Commerce Park. The year to date income statement shows revenues of \$392,000 and expenses of \$209,000. Included in this figure is \$100,000 of bond administrative fee revenue that was subsequently paid to ECIDA under the existing shared services agreement. Special project expenses of \$150,000 lead to net income of \$33,000 so far in 2022. Mr. Poloncarz directed that the report be received and filed.

Finance and Audit Committee Update: Ms. Profic advised that the Committee meeting scheduled for September 23 did not have a quorum present. The members that were present reviewed the process and memo regarding the RFP for Independent Audit Services. A meeting has been scheduled for October 17 so the Committee may formally recommend the draft budgets.

A. 2023 Budget Timetable and 2023 Proposed Budget. Ms. Profic reviewed the 2023 proposed ILDC budget review process. She advised that the Finance and Audit Committee will meet again in October for a final review and recommendation of the draft budgets. Two educational Q&A sessions for Board meetings have been scheduled for October 6 and October 7. The budget will be presented for formal approval at the next meeting. Budgets must be submitted to the ABO by November 1.

B. Review proposed 2023 Operating Budget. Ms. Profic reviewed the proposed 2023 Operating Budget.

C. Professional Auditing Services Recommendation. Ms. Profic summarized the recent Professional Auditing Services RFP process. The ECIDA's professional services RFP process requires proposals for this service to be solicited at least every five years. In July, the ECIDA issued a joint RFP for the Agency and its affiliates (RDC, ILDC) and Western Region Corporation. The RFP requested services for three years plus two additional one year extensions, however the engagement may be terminated at any time. Four proposals were received and evaluated by an internal review committee. After evaluation and follow-up, Lumsden McCormick is recommended as the top-rated firm. They have vast experience auditing similar clients (including ILDC from 2012-2016) and a robust government services practice. They are located in the historic Cyclorama building in downtown Buffalo and are involved in a program whose goal is to expose minority students to accounting careers. Ms. Profic reviewed their proposed fees. On September 23, members of the Finance & Audit Committee that were present

reviewed and concurred with the staff recommendation. Ms. Profic is requesting that the Board approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits.

Ms. Abbott moved and Mr. Johnson seconded to approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits. Mr. Poloncarz then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) TO ENTER INTO A CONTRACT WITH LUMSDEN MCCORMICK, LLP TO PROVIDE PROFESSIONAL AUDITING SERVICES TO THE ILDC

ILDC Loan Status Report. Mr. Manhard provided this report to members. Mr. Poloncarz directed that the report be received and filed.

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

Approval of Resolution for Renaissance Commerce Park (“RCP”) Odell & Ridge Road Sewer and Water Extensions RFP Award. Mr. Cappellino reviewed the ILDC bidding procedures and review process.

Ms. Whyte moved and Mr. Johnson seconded to approve of the ILDC executing the contract with Pinto Construction Services for the construction and installation of public sanitary sewer and water line extensions at Renaissance Commerce Park. Mr. Poloncarz called for the vote, and the following resolution was unanimously approved.

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) AUTHORIZING THE ILDC TO ENTER INTO A CONTRACT WITH PINTO CONSTRUCTION SERVICES TO PROVIDE CONSTRUCTION SERVICES FOR THE CONSTRUCTION OF NEW PUBLIC SANITARY SEWER AND WATER LINE EXTENSIONS AT ODELL STREET AND RIDGE ROAD IN THE RENAISSANCE COMMERCE PARK

Approval of Resolution for Sucro Rail Siding Licensing Agreement. Mr. Cappellino reviewed the Sucro Real Property NY, LLC proposed rail side construction and upgrading project and related ILDC license agreement.

Mr. Lipsitz moved and Ms. Abbott seconded to approve and authorize the ILDC to execute a license agreement with Sucro. Mr. Poloncarz called for the vote, and the following resolution was unanimously approved.

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) AUTHORIZING THE ILDC TO ENTER INTO A LICENSE AGREEMENT WITH SUCRO REAL

PROPERTY NY, LLC (“COMPANY”) TO CONSTRUCT A RAILWAY SIDE
AND RAILWAY SPUR AS HEREIN DESCRIBED AT THE RENAISSANCE
COMMERCE PARK, LACKAWANNA, NEW YORK (“RCP”)

MANAGEMENT TEAM REPORT

Mr. Cappellino thanked Ms. Whyte for her commitment and efforts at the Renaissance Commerce Park and noted she will be resigning from the ILDC and thanked her for her service. Mr. Poloncarz also thanked Ms. Whyte for her excellent work..

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 1:30 p.m.

Dated: September 28, 2022



Elizabeth A. O'Keefe, Secretary