

**MINUTES OF THE MEETING
OF THE
MEMBERSHIP OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)**

DATE AND PLACE: April 26, 2017, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203

PRESENT: Hon. Diane Benczkowski, Rev. Mark E. Blue, Hon. Byron W. Brown, James F. Doherty, Hon. Joseph H. Emminger, Dottie Gallagher-Cohen, Hon. Joseph C. Lorigo, David L. Lowrey, Brenda W. McDuffie, John J. Mudie, Hon. Glenn R. Nellis, Louis Panzica Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, Sister Denise Roche, Paul V. Vukelic and Hon. Barry A. Weinstein

EXCUSED: Richard Lipsitz, Jr.

OTHERS PRESENT: Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President, Mollie Profic, Treasurer; Karen M. Fiala, Assistant Treasurer; and Robert G. Murray, Secretary

GUESTS: Hon. John J. Mills; Maria Whyte, Deputy County Executive; Andrew Federick, Erie County Senior Economic Development Specialist

At 9:05 a.m., there being a quorum present, Ms. McDuffie, called the meeting to order.

MINUTES

The minutes of the March 22, 2017 Meeting of the Members were presented. Mr. Poloncarz moved and Mr. Vukelic seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic reviewed the March 2017 financial statements noting that the balance sheet shows that the IDA finished the month of March with total assets of approximately \$34,000,000 and net assets of approximately \$28,000,000. The monthly income statement shows a net loss of about \$272,000. Operating revenue was below budget by \$116,000 due to the timing of administrative fees received. March operating expenses were below budget by \$8,000. After special project grants and depreciation, there was a net loss of \$272,000 for the month. On the year to date income statement, revenue is reflected at \$857,000 which is \$235,000 ahead of budget for the year. Operating expenses of \$923,000 are under budget by \$187,000. After the special project grants and depreciation, there is a year to date net loss of \$170,000. Ms. McDuffie requested that the report be received and filed.

2017 Tax Incentive Induced/Closing Schedule/Estimated Real Property Tax Impact Report. Ms. Fiala reviewed this report. There being no questions, Ms. McDuffie asked that this report be received and filed.

At this point in time, Mr. Blue, Mr. Emminger and Ms. Benczkowski joined the meeting.

Policy Committee Update. Ms. McDuffie updated members on the Policy Committee meeting held on April 6, 2017 at which the Policy Committee unanimously approved all projects that are on today's Agenda. Ms. McDuffie directed that this report be received and filed.

AMENDATORY INDUCEMENT RESOLUTION

Pilgrim Village Associates, III, LP, Campus Square Housing Development Fund Company, Inc. and Pilgrim Village Associates IV L.P., 903 Ellicott Street, Buffalo, New York 14209. Mr. Cappellino confirmed that the Agency initially approved this project for tax exempt bond financing, mortgage recording tax exemption benefits, and sales and use tax exemption benefits on December 16, 2015, however, since that point in time, the project has been modified such that it will no longer require the issuance of the Agency's tax exempt bonds, the name of the applicant has been changed to the company as identified within the resolution as attached hereto and made a part of these minutes, the Agency will no longer provide the mortgage recording tax exemption benefit as originally requested, the New York State sales and use tax exemption benefits with respect to the affordable housing component of the project will be the only component of the project to be undertaken with the assistance of the Agency and the New York State sales and use tax exemption benefits will be increased from \$1,388,000 as approved by the original Agency resolution to \$2,100,000, and the investment material term and condition will be established at \$52,907,698 reflecting a total project expenditure with respect to the affordable housing units to be made by the company.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Mr. Cappellino noted that the Agency will be amending its original material terms and condition as follows, such that, subject to potential termination and/or modification and/or recapture of financial assistance, the Company must submit, on at least an annual basis or as otherwise indicated below, through the conclusion of the later of two years following either the construction completion date or the termination of the Agent Agreement, a certification as so required by the Agency confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$52,907,698 (which represents the product of 85% multiplied by \$62,244,351 being the total project cost as stated in the Company's application for Financial Assistance to be expended on the affordable housing portion of the Project).
- (ii) Employment Commitment - that there are at least 4 existing full time equivalent ("FTE") employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the "Baseline FTE"); and

- the number of current FTE employees in the then current year at the Facility; and
 - that, within two years following Project completion, the Company has maintained and created FTE employment at the Facility equal to 30 FTE employees [representing the sum of 4 Baseline FTE plus 26 new FTE employees (the product of 85% multiplied by 31, being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Pridgen moved and Mr. Lowrey seconded to approve of the project as now proposed.

Mr. Pridgen spoke in favor of the project and expressed support for the project in that no tenants were displaced and that this is a mixed-income and mixed-use project and stated this project stands as a model for all Agency projects.

Mr. Poloncarz confirmed Mr. Pridgen’s statement, spoke in favor of the project, thanked staff for working with the developer as the project developed over time and confirmed that the benefits were only being provided for the affordable housing component of the project.

Ms. McDuffie called for the vote, and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF PILGRIM VILLAGE ASSOCIATES III, L.P., PILGRIM VILLAGE ASSOCIATES IV, L.P. AND CAMPUS SQUARE HOUSING DEVELOPMENT FUND COMPANY, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE “COMPANY”) IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING

A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

INDUCEMENT RESOLUTIONS

Aakron Rule, 8 Indianola Avenue, Akron, New York. Mr. Cappellino reviewed this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an additional 25,000 sq. ft. expansion to the company's existing facilities to expand its warehousing and manufacturing operations. The company will also be acquiring additional machinery and equipment.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Mr. Cappellino noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the real property tax abatement benefit period, a certification as so required by the Agency confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$2,269,500.00 (which represents the product of 85% multiplied by \$2,670,000.00, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 145 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 156 FTE employees representing the sum of 145 Baseline FTE plus 11 [the product of 85% multiplied by 13 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company's application for Financial Assistance)]. In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's “Quarterly Employment Survey” form to be made available to the Company by the Agency.

- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Ms. McDuffie spoke in favor to the project noting that the company is the world's largest producer of wooden rulers and yardsticks.

Mr. Weinstein moved and Mr. Lorigo seconded to approve of the project. Ms. McDuffie then called for the vote and the following resolutions were unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY THAT ACTION TO UNDERTAKE THE AAKRON RULE CORP. (THE "COMPANY") PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON THE ENVIRONMENT

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF AAKRON RULE CORP., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Delaware Lodge, LLC, 173 Delaware Road, Kenmore, New York. Ms. Fiala described this proposed sales tax and mortgage recording tax exemption benefits project involving the adaptive reuse of the existing facility involving the construction of seven - one and two bedroom apartment units.

At this point in time Mr. Mudie joined the meeting.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Ms. Fiala noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the later of two years following either the construction completion date or the termination of the agent agreement, a certification as so required by the Agency confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$1,059,100.00 (which represents the product of 85% multiplied by \$1,246,000.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Local Labor Commitment – that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iii) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (iv) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Emminger spoke in favor of the project and moved to approve the project. Mr. Poloncarz seconded the motion noting that the project is located in Kenmore, New York and is an example of an adaptive reuse project that the Agency supports that it is outside the City of Buffalo.

Ms. McDuffie then called for the vote and the following resolutions were unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY THAT ACTION TO UNDERTAKE THE DELAWARE LODGE, LLC PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON THE ENVIRONMENT

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF DELAWARE LODGE, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE “COMPANY”) IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iii) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT

FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (iv) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Double Eagle Kenmore, LLC, 45 Victoria Boulevard, Kenmore, New York. Mr. Cappellino reviewed this proposed sales tax and mortgage recording tax exemption project involving the adaptive reuse of the existing facility into 37 market rate apartments.

At this point in time, Mr. Brown joined the meeting.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Mr. Cappellino noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the later of two years following either the construction completion date or the termination of the agent agreement, a certification as so required by the Agency confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$3,612,500.00 (which represents the product of 85% multiplied by \$4,250,000.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – the number of current FTE employees in the then current year at the Facility; and
 - that the Company has created and maintained full-time equivalent (“FTE”) employment at the Facility equal to 2 FTE employees. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Tax Policy.

Mr. Emminger spoke in favor of the project.

Mr. Emminger then moved and Mr. Weinstein seconded to approve of the project. Ms. McDuffie called for the vote and the following resolutions were unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY THAT ACTION TO UNDERTAKE THE DOUBLE EAGLE KENMORE, LLC PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON THE ENVIRONMENT

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF DOUBLE EAGLE KENMORE, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Shea's Seneca, LLC, 2178 Seneca Street, Buffalo, New York. Ms. Fiala reviewed this proposed sales tax and mortgage recording tax exemption project involving the adaptive reuse of the historic Shea's Seneca building into approximately 25 apartment units and approximately 20,000 sq. ft. of commercial space to include tenants consisting of a not-for-profit community theater group that will be sharing space with other non-profit performance groups, a banquet facility, and approximately 3,000 sq. ft. of space designated for neighborhood retail businesses yet to be identified. Ms. Fiala confirmed that more than 1/3 of the cost of the project will be allocated towards retail uses such that the Agency must make a retail finding as defined under the New York General Municipal Law and the project must obtain the consent of the Erie County Executive with respect to the retail finding.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Ms. Fiala noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the later of two years following either the construction completion date or the termination of the agent agreement, a certification as so required by the Agency confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$7,685,470.00 (which represents the product of 85% multiplied by \$9,041,730.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained and created full time equivalent (“FTE”) employment at the Facility equal to 14 FTE employees representing the product of 85% multiplied by 17 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s application for Financial Assistance). In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Brown moved and Mr. Lorigo seconded to approve of the project. Ms. McDuffie called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF SHEA’S SENECA, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE “COMPANY”) IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT AND (B) A MORTGAGE RECORDING TAX EXEMPTION

BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Sumitomo Rubber USA LLC, 10 Sheridan Drive, Tonawanda, New York. Mr. Cappellino reviewed this proposed sales tax and real property tax abatement exemption benefits project involving the construction of a new 35,000 sq. ft. facility to facilitate the expansion of the company's existing manufacturing operations in the Town of Tonawanda.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Mr. Cappellino noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the termination of the real property tax abatement benefit period, a certification as so required by the Agency confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$8,252,650.00 (which represents the product of 85% multiplied by \$9,709,000.00, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 1,241 existing full time equivalent ("FTE") employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the "Baseline FTE"); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained the Baseline FTE employment at the Facility as stated in the Company's application for Financial Assistance. In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's "Quarterly Employment Survey" form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Mr. Emminger then spoke in favor of the project and thanked the Erie County Department of Environment and Planning for its efforts related to bringing the site back into

productive reuse. Mr. Emminger then moved and Mr. Lowrey seconded to approve of the project. Ms. McDuffie called for the vote and the following resolution was unanimously approved:.

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY THAT ACTION TO UNDERTAKE THE SUMITOMO RUBBER USA, LLC (THE "COMPANY") PROJECT WILL NOT HAVE A SIGNIFICANT ADVERSE IMPACT ON THE ENVIRONMENT

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF SUMITOMO RUBBER USA, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT AND (B) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Tecumseh Redevelopment, Inc., 2303 Hamburg Turnpike, Lackawanna, New York. Mr. Cappellino reviewed this proposed sales tax exemption benefits project in connection with the capping of contaminated land located at the former Bethlehem Steel site as well as related infrastructure improvements for shovel ready commercial and light industrial redevelopment of the site. Mr. Cappellino reminded board members that the proposed project is related to and contingent upon the Land Purchase Agreement being negotiated between the applicant and the Buffalo and Erie County Industrial Land Development Corporation (ILDC).

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Mr. Cappellino noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the construction completion date, a certification as so required by the Agency confirming:

- (i) Investment Commitment – that, upon Project completion, the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$2,937,222.00 (which represents the product of 85% multiplied by

\$3,455,556.00, being the total project cost as stated in the Company's application for Financial Assistance).

- (ii) Local Labor Commitment – that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iii) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (iv) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Mr. Poloncarz spoke in favor of the project noting that the ILDC's purchase of the real property is dependent upon the applicant completing the environmental remediation of the site by December 2017 and also noted that if the ILDC undertook the remediation activities, no sales tax would be paid in any event. Mr. Poloncarz also stated that the concept here is that Tecumseh is positioned to quickly remediate the real property by the end of this year and noted that the sales tax exemption benefit savings will be passed through to the ILDC in a lower purchase price and savings to Erie County taxpayers.

Ms. Gallagher-Cohen queried Mr. Murray as to the conditions related to recapture and/or sale of the real property to the ILDC. Mr. Murray explained that the ability of the company to act as agent of the Agency and make sales tax exempt purchases is conditioned upon the execution of a Purchase and Sale Agreement between the ILDC and the applicant. The consummation of the purchase of the real property as contemplated within the Purchase and Sale Agreement is such that if the land is not ultimately purchased by the ILDC, the Agent Agreement shall then be deemed terminated and the company shall thereafter no longer be an agent of the Agency and thus will be prohibited from making purchases exempt from sales and use tax, and the Agency will have the discretion to require repayment of any or all of the financial assistance claimed by the company in the event the Purchase and Sale Agreement is terminated by the ILDC but only to the extent of such financial assistance that does not ultimately benefit the ILDC.

Mr. Poloncarz then moved and Mr. Weinstein seconded to approve of the project. Ms. McDuffie called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF TECUMSEH REDEVELOPMENT, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE

PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

Unifrax 1, LLC, North Youngmann Commerce Center Business Park, Tonawanda, New York. Ms. Fiala reviewed this proposed sales tax and real property tax abatement benefits project involving the construction of a new 83,000 sq. ft. manufacturing plant.

As a condition precedent of receiving financial assistance and as a material term and condition established by the Agency in connection with its approval of the project, Ms. Fiala noted that the Company must, subject to potential termination and/or modification and/or recapture of financial assistance, submit, on an annual basis or as otherwise indicated below, through the conclusion of the real property tax abatement benefit, a certification as so required by the Agency confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$20,400,000.00 (which represents the product of 85% multiplied by \$24,000,000.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – that within two years of Project completion, the Company has created and maintained FTE employment at the Facility equal to 21 FTE employees, representing the product of 85% multiplied by 25 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s application for Financial Assistance). In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Emminger spoke in favor of the project noting that the company was contemplating undertaking the project either in the United Kingdom or the Czech Republic and ultimately choose the Tonawanda site.

Mr. Emminger then moved and Mr. Nellis seconded to approve of the project. Ms. McDuffie called for the vote and the following resolution was unanimously approved:

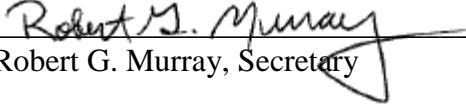
RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF UNIFRAX 1, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT AND (B) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

MANAGEMENT TEAM REPORT

Mr. Weathers informed members that the Agency's CEDS 2016 update document was approved by the United States Economic Development Administration.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 9:40 a.m.

Dated: April 26, 2017


Robert G. Murray, Secretary