

**Hamburg Industrial Development Agency  
Board of Directors Meeting  
March 15, 2013**

**Robert Chesbro Conference Room**

**Present**

Amy Ziegler  
Mike Sendor  
Patti Paul  
Lou McDonald  
Patti Paul  
Tom Moses  
Steve Walters

**Excused**

Norma Rusert Kelly  
Matt Dils  
Janet Plarr

**Executive Director**

Michael J. Bartlett

**Guest**

Nathan Neill  
Craig Cwick  
Kevin Kreutzer  
Joseph Pinker  
Felice Krycia

- **Move** to open the Board of Directors meeting at 8:03AM.

- **Joseph Pinker**, President of K&H Industries was introduced to the Board. K&H Industries manufactures industrial lighting and electrical power devices. The company purchased the former National Envelope building located at 160 Elmview Drive, Hamburg in July 2010 and relocated their operations there. The company is looking to complete exterior renovations to the building, remodel interior offices and air condition the manufacturing portion of the building. The company is asking for assistance in the form of a sales tax exemption on anything purchased for the project.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT WITH K&H INDUSTRIES, INC. AND GRIMSVIEW PROPERTIES, LLC AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH.

**Moved:** Steve Walters

**Seconded:** Amy Ziegler

**Ayes:** Moses, Sendor, McDonald, Paul, Walters, Ziegler

**Nays:** None

**Carried**

-**Kevin Kreutzer** was introduced to the board. Kevin formally worked for assemblyman Kevin Smardz and has an interest in learning about economic development. Kevin has expressed a desire to assist the HIDA in any way we see fit. He is working on the shovel-ready application for NYS for the Bayview/Route 5 land. He is also reviewing the National Grid Grant program for potential assistance to offset any costs involved with the application.

-**Motion** to approve the minutes from the February 22, 2013 Board of Directors meeting

**Moved:** Mike Sendor

**Seconded:** Tom Moses

**Ayes:** Walters, Ziegler, Paul, McDonald, Sendor, Moses

**Nays:** None

**Carried**

**-Motion** to approve the February 2013 Treasures' Report.

**Moved:** Lou McDonald

**Seconded:** Patti Paul

**Ayes:** Walters, Ziegler, Paul, McDonald, Sendor, Moses

**Nays:** None

**Carried**

**-A letter from Nick Tzetzto**, owner of 12 Main Street in the Village was reviewed. Due to the building's grave state of repair and its historic nature, many obstacles were posed during the construction process. These obstacles extended the construction period substantially beyond initial projections and the developer is requesting an extension for sales tax exemptions through December 31, 2013.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY GRANTING AN APPROXIMATELY EIGHT MONTH EXTENSION TO 12 MAIN STREET LLC FOR SALES TAX EXEMPTIONS TO THE 2013 12 MAIN STREET LLC PROJECT.

**Moved:** Steve Walters

**Seconded:** Tom Moses

**Ayes:** Ziegler, Paul, Moses, McDonald, Walters, Sendor

**Nays:** None

**Carried**

**-Redevelopment Policy-** There was a meeting of the IDA Policy Committee on March 8, 2013 to review the latest draft of the proposed Redevelopment Policy. There were three components to the draft:

1. Revised and improved Redevelopment Policy language that will replace the current Neighborhood Enhancement Area and Adaptive Reuse language in the current Countrywide Eligibility Policy adapted in January 2010.
2. Suggested criteria for defining Enhancement Areas, which communities that currently do not have Enhancement Zones can use to assist in defining their respective target areas. It can also be used as a guide for communities that wish to review their existing Enhancement Areas.
3. Tiered Scoring criteria for redevelopment projects in and out of Neighborhood Enhancement Areas that would allow enhanced PILOT benefits over the base benefits for those projects meeting a certain point thresholds.

Some of the suggestions brought up at the meeting were:

- The Redevelopment Policy should provide a clearer explanation that there is a base level of benefits (485b equivalent, mortgage, sales tax on construction materials) and that the tiered programs provide a greater PILOT for those projects that provide better public benefit to the community.
- The Redevelopment Policy should better define how the incentives are tied to the elements of a project to improve the building and/or site and not the occupant's furniture, fixtures or equipment.
- Defining retail projects that move from municipality to another ineligible may not take into account extraneous circumstances that are driving the relocation and that a better notification process that includes elected officials from the affected municipality may be the better route to take.
- Add in additional adaptive reuse criteria present in the existing policy to the Building or Site Development listing of criteria as a more thorough means to determining eligibility for stand-alone buildings or sites outside of a Neighborhood Enhancement Area.
- Minimize absolute terminology in areas of the policy that are meant to be flexible and use as guides in developing geographic boundaries to redevelopment areas.

**- Executive Director Bartlett** expressed the following concerns with the draft:

1. The proposed policy requires the approval of a designated Redevelopment Zone by both the Town Board and Erie County's Department of Environment and Planning. Concern is expressed that Erie County shouldn't have the veto power, or even input for that matter, as to where municipalities designate their Redevelopment Areas.

2. The Tiered Scoring System is new. The last draft only required a certain number of criteria be met (IE- six for a seven year PILOT; ten for a ten year PILOT). Now a point total is needed to be attained when determining which PILOT a project is eligible for. The new policy is more restrictive. For example, previously you needed to meet six criteria to qualify for a seven year PILOT, now you need eight points. It used to be meet ten criteria for the ten year PILOT, now you need twelve points. The points may be too difficult to reach.

3. The proposed policy points out that there is a base level of benefits which is the 485B tax exemption. The Town and Village of Hamburg, Village of Blasdell and the Frontier and Hamburg school districts opted out of the 485B program back in the 1990s.

There was also quite a bit of word smithing that went on; suggestions and changes will be reflected in the next draft. Executive Director Bartlett emailed his main concerns to the Policy Committee. After the board members review the proposed policy, Bartlett will forward any concerns they may have.

- **Executive Director Bartlett** reviewed an email he received from the NYEDC informing him that the State Senate and Assembly introduced their budget resolutions and neither of their resolutions included the Governor's Estate Sales Tax Proposal. While this is a positive development it's not a victory until the final budget is in place.

-**Updates** on the following projects were given:

1. **Village Veterinary Clinic**- a meeting was held with the owners of the clinic to discuss the Enhancement Area Application, the purpose of the program, and how it affects their qualifications for assistance.
2. **Worldwide Protective Products**- several meetings have been held with the company and they are working on their application.
3. **Evans Bank**- a draft of the application has been reviewed and we are waiting for a formal submission.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$550,000 IN CONNECTION WITH THE 2012 POPYZ, LLC PROJECT AND FURTHER AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH.

**Moved:** Patti Paul

**Seconded:** Mike Sendor

**Ayes:** Walters Ziegler, McDonald, Moses, Paul, Sendor

**Nays:** None

**Carried**

-**Motion** to adjourn at 8:40 AM

**Moved:** Amy Ziegler

**Seconded:** Tom Moses

**Ayes:** Walters, Paul, McDonald, Sendor, Ziegler, Moses

**Nays:** None

**Carried**