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**Hamburg Industrial Development Agency  
Board of Directors Meeting  
October 20, 2021, 7:30am  
Blasdell Village Hall**

**Present**

Andy Palmer  
Tom Moses  
Davis Podkulski  
Bob Hutchison  
Cam Hall

**Excused**

Janet Plarr  
Wence Valentin  
Norma Rusert-Kelly  
Robert Reynolds

**Guests**

Jennifer Strong, Neill & Strong  
Mary Doran, HIDA  
Francesca Bond, Hamburg Sun - Zoom

**Executive Director**

Sean Doyle

**-Pledge of Allegiance**

**-Roll Call**

**-Motion** to open the board meeting at 8:43am.

**Moved:** Tom Moses

**Seconded:** Bob Hutchison

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

***Carried***

Doyle thanked the board for their participation in the September board meeting/retreat.

**-Motion** to approve the September 22, 2021 board meeting minutes

**Moved:** Davis Podkulski

**Seconded:** Andy Palmer

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

***Carried***

In Bob Reynold's absence, Director Doyle gave an update on the financials. Assets equal \$1,005,742.34 with a net income of \$353,520.89 fees of \$51,000 were received in September for the Carbon Activated Project. Interest earnings are small with payroll being the largest expense.

**-Motion** to approve the September 2021 Treasurer Report

**Moved:** Cam Hall

**Seconded:** Bob Hutchison

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

***Carried***

## **Executive Director Update:**

-4 projects have been approved but not yet closed; 290 Lake, EOne, Key Capture and 17 Long, optimistic the activity remains positive for 2022.

-Doyle attended a capital meeting regarding ECC South, Bill Reuter. It focused on the next steps of the campus. Suggestions from hired consultants regarding the future of the college recommended relocation/downsizing of the campus. There are a lot of unknowns with the campus and future proposed Bills stadium. The HIDA partnered with Hilbert and should maintain and develop the same type of relationship with ECC.

-Doyle planning to invite current Supervisor to the last meeting to present the donation to Feedmore in his name. The incoming supervisor for the Town of Hamburg along with new board members should be invited to attend the November or December board meeting.

-Beth Farrell, said news on the CARES Grant looks positive. Planning ahead and working on marketing, applications, website updates etc. to distribute the funding.

-Gateway Project Committee - \$50k received in funding, they working with consultant on designs.

-IDA leadership council will be meeting in November regarding UTEP.

-HDC closed on a loan for \$100k to Busy Beaver, they are buying and setting up shop at the former Zittels on Southwestern.

-Local Labor Policy update – reached out to the Office of the State Comptroller on the proposed change in policy, waiting to hear back.

### ***-Doyle spoke to the board on the following - Lesson on business retention and expansion***

*The projects being reviewed later in this agenda are some of the finest examples of economic development principles, positive examples of IDA investments and the growth of private –public partnerships that are key to the revitalization of on shore manufacturing in the US.*

*K&H Industries and Staub Precision Machine annually invest hundreds of thousands of dollars, if not millions, into labor, equipment, research and design into their company and the Town of Hamburg.*

*This collaborative partnership as an IDA board, along with our local governments and most importantly Joe Pinker and all his team members have made this amazing local manufacturer a complete success story for business in Hamburg and in NY State.*

*Pay attention here: **Economic development officials and state government need to cultivate relationships like these in New York**, State leaders need to stand up, support and recognize investors like Joe Pinker. This is exactly how we stop the erosion of our industrial base. Do not tell me the investment is too small... the job growth is insignificant... Some come quick to criticize, because the press loves it, political theater, right? We need to support industrial investment at ALL levels.*

*These investments, and associated job growth, start small, and then they get bigger and bigger. What will the value be of the next investment? If we are not partners today, where will we stand with our competition for tomorrow's investment?*

*This is it folks. This is how it's done. Thank you.*



**-Privilege of the Floor** – no comments

**-Motion** to approve the 2022 meeting schedule as presented.

Cam Hall mentioned the previous request for evening meetings. The board decided they can modify the current proposed 2022 schedule if an evening meeting is needed/requested next year.

**Moved:** Tom Moses                      **Seconded:** Andy Palmer

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

**Carried**

Doyle reviewed the 2022 proposed budget with the board notable changes listed below:

- Increased revenue by \$20k, based on current activity
- Potential for CARES Funding – a lot of unknowns put in \$5k
- Personnel – both contracts active thru June 2023, incentives budgeted are based on board discretion.
- Employer taxes and insurance are now broken out in the budget previously they were absorbed in payroll.
- Training – budgeted to attend EDC test in person
- \$10k allocated to Pitch Hamburg – expected to approach the board in 2022
- Website and Marketing increased hire consultant to market the agency
- Software increased, the law requires economic analysis of potential projects, our current software will no longer be supported with tax, wage updates etc. Working on obtaining new program.
- Public hearing notices also increased as the cost to put notices in the paper doubled moving printing from the Front Page to The Hamburg Sun.

**-Motion** to approved the 2022 HIDA Budget as presented

**Moved:** Andy Palmer                      **Seconded:** Bob Hutchison

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

**Carried**

-Doyle read the following resolution for Staub

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***RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY  
TERMINATING THE APPROVAL OF A PROJECT AND AGENT AGREEMENT AND AN  
INSTALLMENT SALE AGREEMENT WITH STAUB PRECISION MACHINE, INC.***

*WHEREAS, in 2020, Staub Precision Machine, Inc. (the "Company") entered into negotiations with officials of the Town of Hamburg Industrial Development Agency (the "Agency") with respect to the acquisition and installation of machinery, equipment, furniture and fixtures in connection with the Company's existing manufacturing facility located at 1 Grimsby Drive, Hamburg, New York (the "Project") to allow the Company to expand; and*

*WHEREAS, the Company submitted an Eligibility Questionnaire to the Agency to initiate the accomplishment of the above; and*

WHEREAS, the Agency induced the Project on August 20, 2020; and

WHEREAS, the Company has not used any sales tax benefits and has asked to withdraw this Application.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency's inducement resolution dated and adopted on August 20, 2020 is hereby rescinded, with no benefits having been used by the Company.

Section 2. This resolution shall take effect immediately.

ADOPTED: October 20, 2021

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-**Motion** to rescind the above resolution.

**Moved:** Davis Podkulski      **Seconded:** Cam Hall

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

**Carried**

-Doyle read the following resolution for 290 Lake

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**RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY EXTENDING THE INDUCEMENT PERIOD 290 LAKE STREET HOLDINGS, LLC (THE "LESSEE") TO CONSTRUCT AN APPROXIMATELY 19,260 SQUARE FEET MIXED-USE INFILL DEVELOPMENT ON A FORMER VEHICLE REPAIR FACILITY, CONSISTING OF 12,840 SQUARE FEET OF 10 MARKET RATE APARTMENTS AND 6,420 SQUARE FEET OF SPECULATIVE PROFESSIONAL OFFICE AND / OR RETAIL SPACE LOCATED AT 290 LAKE STREET, IN THE VILLAGE OF HAMBURG, AS AGENT FOR THE AGENCY, FOR LEASEBACK BY THE LESSEE TO THE AGENCY, TO ACQUIRE AND INSTALL MACHINERY, EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRED IN CONNECTION HEREWITH, AND TO TAKE OTHER PRELIMINARY ACTION, UNTIL APRIL 21, 2022 AND TO INCREASE THE PROJECT AMOUNT**

WHEREAS, the Town of Hamburg Industrial Development Agency (the "Agency") by resolution adopted on July 28, 2021 induced 290 Lake Street Holdings LLC (the "Lessee") with respect to the above Project and extended said inducement by resolution dated April 21, 2021 until October 21, 2021;

WHEREAS, due to COVID - 19 pandemic and the mandated construction shutdown and the supply-chain delays as a result of border closings and supply demands, the Lessee has been unable to close on the Project within the time frame originally anticipated and had requested and received an extension from today until to April 21, 2022;

WHEREAS, The Town of Hamburg Industrial Development Agency approved a temporary policy to waive extension fees for project extensions for COVID-19 Pandemic related delays on May 26, 2020 to lessen the economic burden of induced project delays related to the COVID-19 Pandemic;

WHEREAS, the Less would like to increase the Project amount from \$3,160,447.00 to \$3,660,447.00 due to Pandemic related costs increases; no addition IDA benefits are being requested.

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY AS FOLLOWS:

1. The Agency does hereby extend the inducement period to allow additional time to close on this Project from today until April 21, 2022 **and waives the extension fee.**
2. The Agency consents to the increased Project amount of \$3,660,447.00, with no addition al IDA benefits



- being given.  
3. This resolution shall take effect immediately.
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**-Motion** to approve the above resolution for the extension on the 290 Lake project.

**Moved:** Andy Palmer                      **Seconded:** Cam Hall  
**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall  
**Nays:** none  
**Carried**

-Doyle read the following resolution for StaubThree, LLC.

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**RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING STAUB THREE, LLC (THE "LESSEE") TO ACQUIRE VACANT LAND AND TO CONSTRUCT, INSTALL AND EQUIP AN APPROXIMATELY 50,000 SQUARE FOOT ADVANCED MANUFACTURING FACILITY AT 0 GRIMSBY DRIVE, VILLAGE OF HAMBURG, AS AGENT FOR THE AGENCY FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE AND FURTHER SUBLEASE TO STAUB PRECISION MACHINE, INC. (THE SUBLESSEE") AND TO TAKE OTHER ACTION.**

WHEREAS, STAUB THREE, LLC (the "Lessee") has entered into negotiations with the officials of the Town of Hamburg Industrial Development Agency (the "Agency") with respect to the acquisition, construction, installation and equipping of an approximately 50,000 square foot advanced manufacturing facility at 0 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to STAUB PRECISION MACHINE, INC. (the "Sublessee") who will be the sole tenant (the "Project"); and

WHEREAS, the assistance contemplated by the Agency will include mortgage tax abatement; sales tax exemption on any materials and/or equipment purchased for incorporation into Project; and real property tax abatement in accordance with existing Agency Uniform Tax Exemption Policy and Guidelines; and

WHEREAS, the Lessee has submitted an Eligibility Questionnaire and other materials and information to the Agency (collectively hereinafter the "Eligibility Questionnaire") to initiate the accomplishment of the above; and

WHEREAS, the Agency has, after giving all required notices, held a public hearing on the Project pursuant to Section 859-A of the General Municipal Law; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Lessee, including the following: that the Lessee desires Agency assistance with respect to the acquisition, construction, installation and equipping of an approximately 50,000 square foot advanced manufacturing facility at 0 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to the Sublessee for the continued growth of the Sublessee. If the assistance is granted, **the Sublessee anticipates retaining 30 FTE and hiring another 5 FTE employees at the Project location** in the Village of Hamburg within two years following the completion of the Project; that the Project will result in substantial capital investment; that there will be no adverse disruption of existing employment at facilities of a similar nature in the Village or Town of Hamburg; if Agency assistance is disapproved, the Lessee would have to scale back the Project negatively impacting future growth in New York; and that, therefore, Agency assistance is necessary to encourage the Lessee to proceed with the Project in the Village and Town of Hamburg; and

WHEREAS, the Agency desires to further encourage the Lessee with respect to the Project, if by so doing it is able to induce the Lessee to proceed with the Project in the Village of Hamburg.

NOW, THEREFORE, THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:



Section 1. The Agency hereby determines that the acquisition, construction, equipping and installation of the Project and the financing or other assistance thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act. The Agency further hereby determines, on the basis of the Eligibility Questionnaire and supplemental information furnished by the Lessee, as follows: (a) it would not have financed or otherwise assisted the Project except to induce the location of the Project in the area to be served by the Project as there is a demonstrable need for the Project; (b) that Agency financing and/or other assistance is reasonably necessary to promote economic development and to induce the Lessee to proceed with the Project; (c) there will be no substantial adverse disruption of existing employment or facilities of a similar nature to the Project in such area; (d) the Project will allow the Lessee to expand its business in the Town of Hamburg; (e) the Project will create additional employment and provide substantial capital investment; The Agency further determines, on the basis of the Lessee's Eligibility Questionnaire that; (f) the Project as represented is reasonably necessary to provide the purposes of the Act, subject to verification and confirmation of such representations prior to the into a lease with mortgage or lease only transaction and (g) the Project is an integral part of the Lessee's plan to proceed with the Project in the Village of Hamburg.

Section 2. The Chairman, Vice Chairman, Executive Director, Secretary and Assistant Secretary of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Lessee to assist in the acquisition, construction equipping and installation of the Project.

Section 3. The Lessee is authorized to initiate the acquisition, construction, installation and equipping of an approximately 50,000 square foot advanced manufacturing facility at 0 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to the Sublessee at a total Project Cost not to exceed **\$7,500,000.00**, subject to the obtaining of all required approvals from the Village of Hamburg and other involved governmental agencies, and to advance such funds as may be necessary to accomplish such purposes.

Section 4. The Agency is hereby authorized to enter into such agreements with the Lessee and the Sublessee, as the Chairman, Vice Chairman, Executive Director or other officer may deem necessary in order to accomplish the above.

Section 5. The Lessee and Sublessee are authorized to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$5,000,000.00** which may result in a New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$437,500.00**. The Agency may consider any requests by the Lessee and Sublessee for increases in the amount of sales and use tax benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services necessary for the completion of the Project.

Section 6. Any such action heretofore taken by the Lessee in initiating the acquisition, construction, installation and equipping of the Project is hereby ratified, confirmed and approved.

Section 7. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Lessee. By acceptance hereof, the Lessee agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 8. The Agency hereby authorizes and approves real property tax abatement benefits structured through a **ten year PILOT** ("PILOT Agreement") estimated to provide **\$955,763.81 in real property tax abatement benefits**, and resulting in estimated total payments in lieu of taxes of **\$254,063.80** over the term of the PILOT Agreement.

Section 9. The Agency hereby authorizes and approves that the value of the mortgage to be placed upon the facility shall not exceed **\$7,500,000.00** and that the mortgage tax exemption benefit shall not exceed **\$56,250.00**.



*Section 10. The execution and delivery of a Project and Agent Agreement, Closing Agreement, Lease to Agency, and Leaseback Agreement between the Agency and the Lessee, each being substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such agreement and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.*

*Section 11. The execution and delivery of a mortgage from the Agency and the Lessee to a lender selected by the Lessee and approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary in an amount not to exceed \$7,500,000.00 and other ancillary documents, if required, which mortgage and ancillary documents shall be substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such agreement and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.*

*Section 12. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Lessee's purposes or needs. The Lessee is satisfied that the Project is suitable and fit for Lessee's purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Lessee hereby indemnifies and holds the Agency harmless from any such loss, damage or expense.*

*Section 13. The provisions of Section 875 of the General Municipal Law shall apply to this Project. In the event it is determined that an agent, project operator or other person or entity obtained state sales and use exemptions benefits for which they were not entitled or which were in excess of the amount authorized or which are for property or services not authorized or taken in cases where such Lessee, its agents, project operators or other person or entity failed to comply with a material term or condition to use property or services in the manner required by Agreements entered into between the Agency and the applicant with respect to the Project, the agent, project operator or other person or entity shall comply with all the provisions of Section 875 and pay back to the Agency the amount of the state sales and use tax exemptions benefits that they obtained but were not entitled to.*

*Section 14. Should the Agency's participation in this Project be challenged by any party, in the courts or otherwise, the Lessee shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from such challenge, including, but not limited to, the fees and disbursements of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under Article 18-A of the General Municipal Law to participate in the Project, this resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Lessee hereunder or otherwise.*

*Section 15. This resolution is subject to compliance with all local building and zoning requirements.*

*Section 16. The Agency has reviewed the approvals adopted by the Hamburg Village Board on October 18, 2021 determining that the proposed action will not have a significant impact on the environment and that a draft environmental impact statement will not be required to be prepared and the Agency hereby determines, based upon information furnished to the Agency by the Village of Hamburg and such other information as the Agency has deemed necessary to make this determination, that the Project does not require the preparation of an environmental impact statement under the State Environmental Quality Review Act, being Article 8 of the New York State Environmental Conservation law, as the contemplated actions will not have a significant effect on the environment and the Agency*



hereby confirms the negative declaration previously adopted by the Village of Hamburg attached hereto and made a part hereof.

Section 17. The provisions of the Town of Hamburg Industrial Development Agency Policy for Recapture and/or Termination or Modification of Financial Assistance and Local Labor Policy shall be applicable to this Project.

Section 18. This Resolution shall take effect immediately and shall continue in full force and effect for one (1) year from the date hereof and on or after such one (1) year anniversary, the Agency may, at its option (a) terminate the effectiveness of this Resolution (except with respect to the obligations of the Lessee pursuant to Sections 12, 13, 14 and 17 of this Resolution which shall survive any expiration or termination) or (b) allow the Lessee additional time in which to close the transactions contemplated by this Resolution based upon affirmative actions taken by the Lessee to complete such transactions. Upon any allowance of additional time to close, the Agency may charge the Lessee an extension fee in accordance with the Agency's fee schedule.

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**-Motion** to approve the above resolution for Staub Three, LLC Project

**Moved:** Andy Palmer

**Seconded:** Cam Hall

**Roll Call Vote:**

**Ayes:** Moses - aye, Hutchison - aye, Podkulski -aye, Palmer- aye, Hall - aye

**Nays:** none

**Carried**

-Doyle read the following resolution for the K&H Industries expansion project.

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**RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING GRIMSVIEW PROPERTIES, LLC (THE "LESSEE") TO CONSTRUCT, INSTALL AND EQUIP AN APPROXIMATELY 18,000 SQUARE FOOT ADDITION TO AN EXISTING ADVANCED MANUFACTURING FACILITY AT 160 GRIMSBY DRIVE, VILLAGE OF HAMBURG, AS AGENT FOR THE AGENCY FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE AND FURTHER SUBLEASE TO K & H INDUSTRIES, INC. (THE SUBLESSEE") AND TO TAKE OTHER ACTION.**

WHEREAS, GRIMSVIEW PROPERTIES, LLC (the "Lessee") has entered into negotiations with the officials of the Town of Hamburg Industrial Development Agency (the "Agency") with respect to the construction, installation and equipping of an approximately 18,000 square foot addition to an existing advanced manufacturing facility at 160 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to K & H INDUSTRIES, INC. (the "Sublessee") who will be the sole tenant (the "Project"); and

WHEREAS, the assistance contemplated by the Agency will include mortgage tax abatement; sales tax exemption on any materials and/or equipment purchased for incorporation into Project; and real property tax abatement in accordance with existing Agency Uniform Tax Exemption Policy and Guidelines; and

WHEREAS, the Lessee has submitted an Eligibility Questionnaire and other materials and information to the Agency (collectively hereinafter the "Eligibility Questionnaire") to initiate the accomplishment of the above; and

WHEREAS, the Agency has, after giving all required notices, held a public hearing on the Project pursuant to Section 859-A of the General Municipal Law; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Lessee, including the following: that the Lessee desires Agency assistance with respect to the construction, installation and equipping of



an approximately 18,000 square foot addition to an existing advanced manufacturing facility at 160 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to the Sublessee for the continued growth of the Sublessee. If the assistance is granted, **the Sublessee anticipates retaining 46 FTE and hiring another 5 FTE employees at the Project location** in the Village of Hamburg within two years following the completion of the Project; that the Project will result in substantial capital investment; that there will be no adverse disruption of existing employment at facilities of a similar nature in the Village or Town of Hamburg; if Agency assistance is disapproved, the Lessee would have to scale back the Project negatively impacting future growth in New York; and that, therefore, Agency assistance is necessary to encourage the Lessee to proceed with the Project in the Village and Town of Hamburg; and

WHEREAS, the Agency desires to further encourage the Lessee with respect to the Project, if by so doing it is able to induce the Lessee to proceed with the Project in the Village of Hamburg.

NOW, THEREFORE, THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the acquisition, construction, equipping and installation of the Project and the financing or other assistance thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act. The Agency further hereby determines, on the basis of the Eligibility Questionnaire and supplemental information furnished by the Lessee, as follows: (a) it would not have financed or otherwise assisted the Project except to induce the location of the Project in the area to be served by the Project as there is a demonstrable need for the Project; (b) that Agency financing and/or other assistance is reasonably necessary to promote economic development and to induce the Lessee to proceed with the Project; (c) there will be no substantial adverse disruption of existing employment or facilities of a similar nature to the Project in such area; (d) the Project will allow the Lessee to expand its business in the Town of Hamburg; (e) the Project will create additional employment and provide substantial capital investment; The Agency further determines, on the basis of the Lessee's Eligibility Questionnaire that; (f) the Project as represented is reasonably necessary to provide the purposes of the Act, subject to verification and confirmation of such representations prior to the into a lease with mortgage or lease only transaction and (g) the Project is an integral part of the Lessee's plan to proceed with the Project in the Village of Hamburg.

Section 2. The Chairman, Vice Chairman, Executive Director, Secretary and Assistant Secretary of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Lessee to assist in the acquisition, construction equipping and installation of the Project.

Section 3. The Lessee is authorized to initiate the construction, installation and equipping of an approximately 18,000 square foot addition to an existing advanced manufacturing facility at 160 Grimsby Drive in the Village of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee and further sublease to the Sublessee at a total Project Cost not to exceed **\$2,904,530.00**, subject to the obtaining of all required approvals from the Village of Hamburg and other involved governmental agencies, and to advance such funds as may be necessary to accomplish such purposes.

Section 4. The Agency is hereby authorized to enter into such agreements with the Lessee and the Sublessee, as the Chairman, Vice Chairman, Executive Director or other officer may deem necessary in order to accomplish the above.

Section 5. The Lessee and Sublessee are authorized to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$2,000,000.00** which may result in a New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$175,000.00**. The Agency may consider any requests by the Lessee and Sublessee for increases in the amount of sales and use tax benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services necessary for the completion of the Project.



Section 6. Any such action heretofore taken by the Lessee in initiating the acquisition, construction, installation and equipping of the Project is hereby ratified, confirmed and approved.

Section 7. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Lessee. By acceptance hereof, the Lessee agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 8. The Agency hereby authorizes and approves real property tax abatement benefits structured through a **ten year PILOT** ("PILOT Agreement") estimated to provide **\$424,784.00 in real property tax abatement benefits**, and resulting in estimated total payments in lieu of taxes of **\$112,917.24** over the term of the PILOT Agreement.

Section 9. The Agency hereby authorizes and approves that the value of the mortgage to be placed upon the facility shall not exceed **\$2,900,000.00** and that the mortgage tax exemption benefit shall not exceed **\$21,750.00**.

Section 10. The execution and delivery of a Project and Agent Agreement, Closing Agreement, Lease to Agency, and Leaseback Agreement between the Agency and the Lessee, each being substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such agreement and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.

Section 11. The execution and delivery of a mortgage from the Agency and the Lessee to a lender selected by the Lessee and approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary in an amount not to exceed **\$2,900,000.00** and other ancillary documents, if required, which mortgage and ancillary documents shall be substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Executive Director or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such agreement and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.

Section 12. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Lessee's purposes or needs. The Lessee is satisfied that the Project is suitable and fit for Lessee's purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Lessee hereby indemnifies and holds the Agency harmless from any such loss, damage or expense.

Section 13. The provisions of Section 875 of the General Municipal Law shall apply to this Project. In the event it is determined that an agent, project operator or other person or entity obtained state sales and use exemptions benefits for which they were not entitled or which were in excess of the amount authorized or which are for property or services not authorized or taken in cases where such Lessee, its agents, project operators or other person or entity failed to comply with a material term or condition to use property or services in the manner required by Agreements entered into between the Agency and the applicant with respect to the Project, the agent, project operator or other person or entity shall comply with all the provisions of Section 875 and pay back to the Agency the amount of the state sales and use tax exemptions benefits that they obtained but were not entitled to.



Section 14. Should the Agency's participation in this Project be challenged by any party, in the courts or otherwise, the Lessee shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from such challenge, including, but not limited to, the fees and disbursements of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under Article 18-A of the General Municipal Law to participate in the Project, this resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Lessee hereunder or otherwise.

Section 15. This resolution is subject to compliance with all local building and zoning requirements.

Section 16. The Agency has reviewed the approvals adopted by the Hamburg Village Board on October 18, 2021 determining that the proposed action will not have a significant impact on the environment and that a draft environmental impact statement will not be required to be prepared and the Agency hereby determines, based upon information furnished to the Agency by the Village of Hamburg and such other information as the Agency has deemed necessary to make this determination, that the Project does not require the preparation of an environmental impact statement under the State Environmental Quality Review Act, being Article 8 of the New York State Environmental Conservation law, as the contemplated actions will not have a significant effect on the environment and the Agency hereby confirms the negative declaration previously adopted by the Village of Hamburg attached hereto and made a part hereof.

Section 17. The provisions of the Town of Hamburg Industrial Development Agency Policy for Recapture and/or Termination or Modification of Financial Assistance and Local Labor Policy shall be applicable to this Project.

Section 18. This Resolution shall take effect immediately and shall continue in full force and effect for one (1) year from the date hereof and on or after such one (1) year anniversary, the Agency may, at its option (a) terminate the effectiveness of this Resolution (except with respect to the obligations of the Lessee pursuant to Sections 12, 13, 14 and 17 of this Resolution which shall survive any expiration or termination) or (b) allow the Lessee additional time in which to close the transactions contemplated by this Resolution based upon affirmative actions taken by the Lessee to complete such transactions. Upon any allowance of additional time to close, the Agency may charge the Lessee an extension fee in accordance with the Agency's fee schedule.

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**-Motion** to approve the above resolution for K&H Expansion Project

**Moved:** Bob Hutchison

**Seconded:** Cam Hall

**Roll Call Vote:**

**Ayes:** Moses - aye, Hutchison - aye, Podkulski - aye, Palmer - aye, Hall - aye

**Nays:** none

**Carried**

**-Motion** to adjourn at 9:33am

**Moved:** Tom Moses

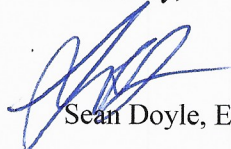
**Seconded:** Davis Podkulski

**Ayes:** Moses, Hutchison, Podkulski, Palmer, Hall

**Nays:** none

**Carried**

Sincerely,



Sean Doyle, Executive Director