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**Hamburg Industrial Development Agency
Board of Directors Meeting
January 12, 2022, 7:30am
Blasdell Village Hall**

Present

Andy Palmer
Tom Moses
Davis Podkulski
Bob Hutchison
Cam Hall
Janet Plarr- (via zoom)
Wence Valentin

Excused

Robert Reynolds

Guests

Jennifer Strong, Neill & Strong
Mary Doran, HIDA
Francesca Bond, Hamburg Sun - Zoom
Steve Savage, E-One
Tom Kucharski, Invest Buffalo Niagara

Executive Director

Sean Doyle

-Pledge of Allegiance

-Roll Call

-Motion to open the board meeting at 7:34am.

Moved: Andy Palmer **Seconded:** Bob Hutchison
Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison
Nays: none
Carried

-Ford Motor Company, Director Doyle read the resolution below:

**RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN INSTALLMENT
SALE AGREEMENT, AND OTHER INSTRUMENTS AND OTHER MATTERS FOR FORD MOTOR
COMPANY BUFFALO STAMPING PLANT 2022-2026.**

WHEREAS, Town of Hamburg Industrial Development Agency (the "Agency"), is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, (collectively, the "Act"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, civic and commercial research facilities, and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, Ford Motor Company (the "Company"), has 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, furnishings and fixtures by the Company, as agent for the Agency, for the Company's industrial/producer services facility located at 3663 Lake Shore Road, Hamburg, New York for a five year period commencing on January 1, 2022 and ending on December 31, 2026 (the "Project"); and

WHEREAS, the Company submitted an Eligibility Questionnaire to the Agency to initiate the accomplishment of the

above; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Company, including the following: that the Company desires Agency financing to acquire, install and operate the Project for industrial/producer services purposes with resultant retainage in employment in the Town of Hamburg; that the Company presently employs 904 full time and 72 part time persons at its facility in the Town of Hamburg; that the Company estimates that approximately 904 full time and 72 part time persons will be employed at the Project location after it is fully completed; the facility at 3663 Lakeshore Road in the Town of Hamburg competes with other Ford stamping plants including several to which the work done at the Project location could be re-sourced to or any one of them if the conditions in the Town of Hamburg are not competitive; that but for Agency participation in the Project, the Company would not initiate the purchase of machinery and equipment constituting the Project to expand its business and retain employment within the Town of Hamburg; and the Project will provide substantial employment and substantial capital investment; if Agency participation in the Project is not approved, the Company would likely not proceed with the Project; and that, therefore, Agency participation is necessary to encourage the Company to proceed now with the Project in the Town of Hamburg; and

WHEREAS, the Agency has determined the Project benefits are less than 10% of the Project Cost and therefore Prevailing wage is not required to be paid; and

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

WHEREAS, the Agency further desires to further encourage the Company with respect to the acquisition, installation and operation of the Project, if by so doing it is able to induce the Company to proceed now with the Project in the Town of Hamburg; and

WHEREAS, the Agency purposes to obtain the aforementioned benefits and to accomplish the purposes of the Act by inducing the Company to acquire and install the Project as agent for the Agency and subsequent Installment Sale thereof to the Company for its use for industrial/producer services facility at its facility located at 3663 Lakeshore Road, Buffalo (Hamburg), New York; and

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

Section 1. The Agency hereby determines that the acquisition, installation and operation of the Project and participation therein 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 of the Company and supplemental information furnished by the Company, as follows: (a) it would not have participated in 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 and the services it offers; (b) but for Agency participation in the Project in such area, the Project would not be economically feasible; (c) there will be no substantial adverse disruption of existing employment of facilities of a similar nature to the Project in such area; and (d) the Project will retain substantial employment and provide substantial capital investment. The Agency hereby determines, that: (a) the Project as represented is reasonably necessary to promote the purposes of the Act; and (b) the Project is an integral part of the Company's plan to retain its business in the Town of Hamburg.

Section 2. To accomplish the purposes of the Act, the Agency hereby authorizes the Company to proceed with the Project as herein described. The Agency is authorized, subject to the provisions of this Resolution, to acquire title to the Project.

Section 3. The Company is authorized to initiate the acquisition of machinery, equipment, furnishings and fixtures required in connection with the operation of an industrial/producer services facility located at 3663 Lakeshore Road in the Town of Hamburg, New York 14075 and to advance such funds as may be necessary to accomplish such purposes. The Agency is hereby authorized to enter into such agreements with the Lessee as the Chairman, Vice Chairman, Executive Director, Secretary, Assistant Secretary or other authorized officer may deem necessary in order to accomplish the above.

Section 4. The Company is 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 estimated amount up to **\$35,000,000** over a period of five years 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 **\$3,062,500.00**. The Agency may consider any requests by the Company 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 5. Any such action heretofore taken by the Company in initiating the acquisition and construction of the Project is hereby ratified, confirmed and approved.

Section 6. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Company. By acceptance hereof, the Company 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 7. The execution and delivery of a Project and Agent Agreement, an Installment Sale Agreement and such other documents and instruments as may be necessary in order to carry out the purposes of this Resolution, each being substantially the form approved by the Agency for prior transactions or approved by the Chairman, Vice-Chairman, Executive Director or Assistant Secretary is hereby authorized.

Section 8. The Chairman, Vice-Chairman, Executive Director and Assistant Secretary of the Agency are hereby authorized to execute, acknowledge and deliver each such Instrument and the Secretary and Assistant Secretary of the Agency are hereby authorized to affix the seal of the Agency on each such Instrument, as applicable, and attest to the same. The execution and delivery of each such document by said officer shall be conclusive evidence of due authorization and approval.

Section 9. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution, the Project and Agent Agreement and the Installment Sale Agreement and other documents and instruments shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution, the Project and Agent Agreement, the Installment Sale Agreement or other documents and instruments shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenants, stipulation, obligation or agreement herein contained or contained in the Project and Agent Agreement, the Installment Sale Agreement or other documents and instruments shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his individual capacity.

Section 10. The Agency is hereby authorized to acquire, install and provide the Project, all as particularly authorized by the terms and provisions of the Installment Sale Agreement. Any action heretofore taken by the Company in initiating the acquisition and installation of the Project on behalf of the Agency is hereby ratified, confirmed and approved. The proper officers of the Agency are hereby authorized to accept title to the Project.

Section 11. Any expenses incurred by the Agency with respect to the Project shall be paid or reimbursed by the Company whether or not the transaction contemplated by this Resolution is completed, unless through the fault of the Agency. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, employees and agents and hold the Agency and such 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.

Section 12. The provisions of this Resolution shall continue to be effective until one year from the date hereof whereupon the Agency may, at its option, terminate the effectiveness of the Resolution (except with respect to the matters contained in Section 7 hereof) unless prior to the expiration of such period (a) the Agency shall by subsequent resolution extend the effective period of this Resolution, or (b) the Company shall be continuing to take affirmative steps satisfactory to the Agency to complete the transaction contemplated by this Resolution. This resolution shall authorize the purchase of up to a maximum of \$35,000,000 in machinery and equipment subject to sales tax for which it will be eligible for sales tax abatement. This resolution shall pertain to expenditures of machinery and equipment during years 2022, 2023, 2024, 2025 and 2026.

Section 13. The Agency hereby determines, based upon information furnished to it by the Company and such other information as the Agency deemed necessary to make this determination, that the Project constitutes a Type II action under the State Environmental Quality Review Act and does not require the preparation of an Environmental Impact Statement under the State Environmental Quality Review Act as the contemplated action will not have a significant effect on the environment.

Section 14. The provisions of the 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, 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 15. The provisions of the Town of Hamburg Industrial Development Agency Policy for Recapture and/or Termination or Modification of Financial Assistance shall be applicable to this Project.

Section 16. This resolution shall take effect immediately.

There were no comments or questions.

-Motion to approve the Ford Motor Company resolution.

Moved: Wence Valentin **Seconded:** Andy Palmer

Roll Call Vote: Moses – aye, Palmer - Aye, Hall – aye, Podkulski – aye, Hutchison – aye, Valentin – aye, Plarr –aye attending via zoom,

Nays: none

Carried

-Motion to approve the December 2021 board meeting minutes

Moved: Bob Hutchison **Seconded:** Janet Plarr

Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison

Nays: none

Carried

Treasurer, Bob Reynold's was excused from the meeting today. Doyle gave an update on the financials. Balance on accounts as of December 31, 2021 is \$1,065,015.11 up from the December 2020 balance of \$652,221.45. Expenses this month totaled \$36,045.95 of which \$32,762.49 accounted for payroll and employee bonuses.

-Motion to approve the December 2021 Treasurer Report

Moved: Andy Palmer **Seconded:** Cam Hall

Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison

Nays: none

Carried

Executive Director Update:

-Closings for the following projects are awaiting mortgage commitments; E-One, 290 Lake, Key Energy, Johnson's Brewhouse & Staub.

-Palace Theatre's final discharge is pending payment of attorney fees.

-Working with Invest Buffalo to update our website with their real estate data base, Atlas.

-CARES Grant, still completing the paperwork hopeful all goes thru by the end of the month.

-Sowles and South Park project still moving along.

-Bill S-16-34 was vetoed by the Governor, it was a proposal to have all IDA fees match the fee their county charges.

-HIDA's changes to the Local Labor Policy has been getting a lot a traction. In the spring we hope to arrange a tour of the BOCES facility and Doyle will be meeting with Senator Sean Ryan, Assemblymember Jon Rivera and Senator Tim Kennedy regarding modeling the changes the HIDA has made to its policy

across the state.

-A marketing RFP has been sent out getting some responses.

-PITCH Hamburg is moving along, the Director position has been posted online and we are actively looking for a site.

-A new loan application has been received for the HDC and is in the process of being reviewed.

-Doyle researched CD rates the best local rate is thru the Greater Erie Federal Credit Union, .25%.

Currently we accrue .14% interest in the Bank on Buffalo savings account and .05% in checking. Mary does quarterly draws or deposits as cash flow directs to keep as much as possible in savings. Other rates were as follows:

M&T - .05%

Alden State Bank - .10%

Bank On Buffalo -.14%

Lake Shore Savings-.15%

The board discussed and agreed to “stepping” CDs, or having multiple (2) come due at different times.

-Motion to transfer up to \$500,000 into multiple CDs (stepping) with the Greater Erie Federal Credit Union.

-Moved: Bob Hutchison **Seconded:** Davis Podkulski

Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison

Nays: none

Carried

-Motion to add the Greater Erie Federal Credit Union as an approved depository of the Hamburg IDA to the Investment Policy.

-Moved: Andy Palmer **Seconded:** Davis Podkulski

Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison

Nays: none

Carried

Doyle turned the floor over to Tom Kucharski, the Director of Invest Buffalo Niagara (via zoom). HIDA has been a \$5,000 investor/sponsor over the last few years. Before continuing with the sponsorship in 2022 Doyle brought Kucharski in to speak to the board on the progress and relationship Invest Buffalo has had with the HIDA over the last few years. What they are doing as a company to promote the area and target incoming industries.

-Motion to approve a \$5,000 2022 Sponsorship/membership in Invest Buffalo Niagara.

-Moved: Andy Palmer **Seconded:** Davis Podkulski

Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison

Nays: none

Carried

-Privilege of the Floor

Doyle turned the floor over the Steve Savage of E-One. E-One's project has been on "hold" with extensions since approved in December of 2019. Doyle gave Savage a chance to explain to the board the circumstances surrounding the delays.

Savage explained the illness and passing of his father, Bill Savage (President of E-One) on December 17, 2021 after a 15 month battle with cancer. His attorney, John Blair was dealing with personal issues and lawsuits of the Savage's due to the untimely death and illness of his father. He stated things are settling down now and John Blair can now focus on the project starting with the title, survey and abstract.

The board discussed and agreed to extend to March with updates along the way. In good faith, the board would like affirmation the title work has been ordered as well as Steve Savage attending the next board meeting with an update on the progress.

Doyle read the following resolution:

**RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY
EXTENDING THE INDUCEMENT PERIOD AND THE SALES TAX PERIOD FOR BILLY-LEE, LLC
PROJECT, UNTIL MARCH 16, 2022.**

WHEREAS, the Town of Hamburg Industrial Development Agency (the "Agency") by resolution adopted on December 27, 2019, as extended on December 17, 2020 and extended May 20, 2021 induced Billy-Lee, LLC (the "Lessee") for assistance by the Agency including 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, as amended, with respect to a lease with mortgage or lease only transaction for the construction of an approximately 10,000 square foot addition to an existing building located at 4760 Camp Road, Hamburg, New York, by the Lessee, as Agent for the Agency, for lease to the Agency and subsequent Leaseback to the Lessee. The Lessee will be the sole occupant, all for the provision of a fire truck manufacturing Facility (the "Project"); and

WHEREAS, there has been delay by the Applicant in closing the Project; and

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

- 1. The Agency does hereby extend the inducement period and the sales tax period for the Lessee from December 17, 2021 to March 16, 2022 and waives the extension fee.*
- 2. This resolution shall take effect immediately.*

-Motion to approve the above extension to E-One thru March 16, 2022.

-Moved: Cam Hall **Seconded:** Valentin
Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Hutchison
Nays: Plarr, attending via zoom
Carried

-Motion to appoint Neill & Strong, PC as Transaction Counsel for the 2022 calendar year.

-Moved: Tom Moses **Seconded:** Janet Plarr
Ayes: Moses, Podkulski, Hall, Palmer, Valentin, Plarr, Hutchison
Nays:
Carried

Director and Officer insurance, in the past the HIDA board agreed no protection was necessary. The issue resurfaced with the resignation of Norma Rusert-Kelly and potentially adding a new board member. Upon contacting the Evans Agency, they stated the HIDA is covered thru the Town of Hamburg policy. Although there is verbal confirmation, the subject will be carried on the agenda until we receive written confirmation of the coverage.

-Doyle read the following letter regarding the resignation of Norma Rusert-Kelly from the board and passed it around for the board members to sign:

Dear Norma,

On behalf of all the past and present board members of the Hamburg IDA/HNYLDC, thank you for your years of service. You were appointed on December 7, 1998 and have the longest term of any board member in our history. Over the 23 years, your contributions have had a significant benefit on our community.

The growing achievements of the Hamburg Development Companies are due in large part to your hard work and commitment to quality. You were instrumental in bringing major development projects such as FedEx and the Oaks at South Park to our town. You have also been a part of numerous smaller projects that do not get the notoriety but have just as much impact on the economy. The continued growth of Hamburg would and could not happen without the support of dedicated volunteers such as you.

Once again, thank you for a job well done!

Sincerely,

The Hamburg IDA/HNYLDC Board of Directors

-Motion to go into Executive Session for personnel issues at 8:29am.

Moved: Tom Moses **Seconded:** Cam Hall
Ayes: Moses, Podkulski, Hall, Plarr, Palmer, Valentin, Hutchison
Nays: none
Carried

-Motion to move out of Executive Session with no action taken at 8:45am.

Moved: Davis Podkulski **Seconded:** Bob Hutchison
Ayes: Moses, Podkulski, Hall, Plarr, Palmer, Valentin, Hutchison
Nays: none
Carried

-Motion to adjourn at 8:46am

Moved: Andy Palmer **Seconded:** Wence Valentin
Ayes: Moses, Podkulski, Hall, Plarr, Palmer, Valentin, Hutchison
Nays: none
Carried

Sincerely,



Sean Doyle, Executive Director