



6122 South Park Avenue
Hamburg, New York 14075
716.648.4145
www.HamburgIDA.com

**Hamburg Industrial Development Agency
Board of Directors Meeting
November 9, 2022, 7:30am
Blasdell Village Hall**

Present

Cam Hall
Tom Moses
Davis Podkulski
Bob Hutchison
Janet Plarr
Andy Palmer
Jamel Perkins
Bob Reynolds

Excused

Wence Valentin

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 7:35am

Moved: Bob Reynolds

Seconded: Janet Plarr

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

-Motion to approve the October 2022 board meeting minutes

Moved: Bob Reynolds

Seconded: Janet Plarr

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

Treasurer, Bob Reynolds, gave an update on the financials. Receivables totaled \$5,296.19 for the month which consisted of administrative fees \$4,876.35, bank interest \$243.07 and CD interest \$176.77. Payroll and minor expenses totaled \$11,025.19, resulting in a negative \$5,729.00 for the month of October. The total balance on the account is \$1,082,014.80.

-Motion to approve the October 2022 Treasurer Report

Moved: Andy Palmer

Seconded: Janet Plarr

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

Executive Director Update:

- The company financials were reviewed with the Audit Committee in October everything was in order no significant findings.
- Administrative fees received in October were for Ford 2021. They are typically received in the fall for the prior year.
- Johnson's Taphouse is due to close this month, K&H, Staub Precision Machine will be next year.
- 290 Lake Street is planning on reapplying as a new owner has taken over the project.
- Met with the Kohan Group and redevelopment of the McKinley Mall site.
- CARES Grant publicity - the 8 businesses that were approved by the HDC for the grant will be identified at the Town of Hamburg Board meeting on December 12th.
- Met with Jennifer Talarico from the SBA to identify HUBS Zones, received responses from 6 companies. A follow-up meeting will be scheduled.
- The Southtowns Regional Chamber of Commerce continues to move forward in a positive direction since the termination of the Executive Director.
- Johnson's Taphouse has closed on their loan with the HDC.
- LaBella reviewed the potential project in Blasdell. The rate of return on investment is not enough to proceed at the current time will table the project for the future. With the rise in interest rates the return of investment is currently greater in the bank without the risk.
- Board briefly discussed a potential truck terminal project.

Bob Reynolds stated the board needs to keep in mind the current truck traffic situation in and around Hamburg and make sure any future projects takes this into consideration.

New Business

Doyle read the following resolution:

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY CONSENTING TO AN ASSIGNMENT OF MORTGAGE; A GAP MORTGAGE; A MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING (BUILDING LOAN); AN ASSIGNMENT OF LEASES AND RENTS; AND A CONSOLIDATED, EXTENSION, SPREADER AND MODIFICATION AGREEMENT AND OTHER RELATED DOCUMENTS IN CONNECTION WITH IN THE REFINANCING OF THE 2019 THE OAKS AT SOUTH PARK LLC PROJECT

WHEREAS, to accomplish the purposes of the Act, the Agency induced The Oaks at South Park LLC ("the Lessee"), with respect to the acquisition and equipping by the Agency with the proceeds of a lease with mortgage for the acquisition by the Lessee of an approximately 27 acre parcel of land located at 5138 South Park Avenue in the Town of Hamburg, the construction by the Lessee, as agent for the Agency (i) the adaptive re-use of a former school building and re-development the parcel of land for construction of 19 two-story buildings totaling 152 housing units and (ii) installation of baseball and softball fields and other amenities and the acquisition and installation of machinery, equipment, furnishings and fixtures by the Lessee, as agent for the Agency, all for a residential housing complex with additional services (the "Project"), and in furtherance of said purpose the Agency adopted its Inducement Resolution on June 25, 2019; and

WHEREAS, pursuant to such Inducement Resolution, the Agency acquired a leasehold interest in the Facility pursuant to a certain Lease to Agency, dated as of November 1, 2019, between The Oaks at South Park LLC as lessor, and the Agency, as lessee, (the "Lease to Agency") and leased the Facility back to The Oaks at South Park LLC pursuant to a certain Leaseback Agreement, dated as of November 1, 2019, between the Agency, as lessor, and The Oaks at South Park LLC, as lessee, (the "Leaseback Agreement");

WHEREAS, the Agency has now received a request for the Agency's consent in regard to the Lessee's refinancing of the Project;

WHEREAS, The Lessee, is not requesting an additional benefits from the Agency and is only seeking the consent of the Agency of its proposed refinance; and

WHEREAS, the facility will remain a residential housing complex with additional services; accordingly, there will be no change in the Payment in Lieu of Taxes ("PILOT") Provisions attached as Exhibit C to the Leaseback Agreement.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS:

Section 1. The Agency hereby consents to the Assignment of Mortgage from S&T Bank to DPI-Acres Capital LLC; and the execution and delivery of A Gap Mortgage not to exceed \$29,425.00; A Mortgage, Assignment Of Leases And Rents, Security Agreement, Financing Statement And Fixture Filing (Building Loan) in an amount not to exceed \$26,401,226.00; An Assignment Of Leases And Rents; And A Consolidated, Extension, Spreader And Modification Agreement In An Amount Not To Exceed \$29,425,000 And Other Related Documents between 2019 The Oaks at South Park LLC Project and DPI-Acres Realty Funding, Inc. ("Refinance Documents"), with respect to the Lease to Agency and the Leaseback Agreement, as amended.

Section 2. The execution and delivery of the Refinance Documents in the form approved by the Chairman, Vice Chairman, Executive Director Secretary or Assistant Secretary is hereby authorized. The appropriate officers of the Agency are hereby authorized to execute, seal, acknowledge and deliver such Certificate. The execution and delivery of the Refinance Documents shall be conclusive evidence of due authorization and approval.

Section 3. The Agency determines that the PILOT provisions shall remain unchanged as there is no change in use or in the occupancy of the Facility.

Section 4. The Oaks at South Park LLC, agrees that it will pay all Agency Administrative Fees and legal fees due at closing.

Section 5. This resolution shall take effect immediately

-Motion to approve above the resolution

Moved: Cam Hall

Seconded: Andy Palmer

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

Assessor Comments on PILOT Valuations

Doyle stated the Town of Hamburg Assessor was expressing his concerns over the ability of active PILOTs to challenge their assessed value. It stems from a situation that occurred in another municipality. Attorney Strong stated it is out of the board's control as it is state law to be able to challenge ones assessment. Doyle said the board always has the means to terminate/recapture a project that is not adhering to the terms of their project and agent agreement. Additionally, Bob Hutchison said we are not an assessing unit and in no situation should we be assessing any property. The board was in concurrence, with no action needed.

Bob Reynolds made a motion to change the December 22, 2022 meeting to December 14, 2022.

-Motion to approve the reschedule of the December 2022 Board meeting to December 14, 2022.

Moved: Cam Hall

Seconded: Janet Plarr

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

-Motion to approve the 2023 HIDA Board meeting dates as presented in the board packet – the 3rd Wednesday of each month 7:30am at Blasdell Village Hall, with the exception of December 2023. Due to the holiday season the December meeting will be held on the 2nd Wednesday of the month December 13, 2023.

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

Staff year end payments will be tabled until the end of the meeting.

Unfinished Business

-Pitch request for funding will be carried on the December agenda. Included in today's board meeting packet were follow up comments made by board members after the last meeting. Doyle submitted to Pitch a list of items/questions the board would like answers to before continuing with the funding discussion.

The board agreed:

- The primary criteria of any donation made by the HIDA should be in line with its mission.
- A budget line should be designated for such donations.

Cam Hall suggested Pitch be given Attorney Strong's number to concur on what type of donation is legally acceptable for the HIDA. He also stated this is the type of marketing business development initiative the HIDA has been talking about for years.

-Privilege of the Floor – no comments

Staff year end payments

-Motion to suspend the meeting at 8:03am

Moved: Janet Plarr **Seconded:** Andy Palmer
Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds
Nays: none
Carried

-Motion to resume meeting at 8:07am

Moved: Janet Plarr **Seconded:** Bob Hutchison
Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds
Nays: none
Carried

-Motion to move into Executive Session for personnel matters at 8:08am

Moved: Janet Plarr

Seconded: Cam Hall

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

Nays: none

Carried

-Motion to move out of Executive Session, with no action taken, at 8:26am

Moved: Janet Plarr

Seconded: Cam Hall

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

-Motion to adjourn at 8:27am

Moved: Janet Plarr

Seconded: Andy Palmer

Ayes: Hall, Moses, Podkulski, Hutchison, Perkins, Plarr, Palmer, Reynolds

Nays: none

Carried

Sincerely,



Sean Doyle, Executive Director

Next meeting: December 14, 2022 7:30AM Blasdell Village Hall