



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

**Hamburg Industrial Development Agency
Board of Directors Meeting
June 12, 2024, 7:30am
Hamburg Volunteer Fire Department, 301 Union Street**

Present

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

Excused

Bob Reynolds
Wence Valentin
Janet Plarr

Guests

Jennifer Strong, Neill & Strong
Mary Doran, HIDA
Dan Bauer, SERVEPRO
Dave Manko, Mission Hills
unknown zoom attendee

Executive Director

Sean Doyle

Pledge of Allegiance

-Roll Call

-Motion to open the board meeting at 7:42am

Moved: Tom Moses **Seconded:** Jamel Perkins
Ayes: Podkulski, Palmer, Hutchison, Moses, Hall, Perkins
Nays: none
Carried

-Motion to approve the May 2024 board meeting minutes

Moved: Cam Hall **Seconded:** Jamel Perkins
Ayes: Podkulski, Palmer, Hutchison, Moses, Hall, Perkins
Nays:
Carried

In Treasurer, Bob Reynolds, absence Doyle gave an update on the financials. May expenses included \$12,503.38 for payroll and a refund of \$13,417.47 was issued for the Employee Retention Credit. After receiving the credit were informed not eligible as a "public authority", although the IDA does pay FICA for its employees, a refund was sent, the balance on the accounts \$821,730.60.

-Motion to approve the May 2024 Treasurer Report

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

Executive Director Update:

- HDC approved 2 loans for a total of \$80,125 this month to;
 - Lasso's Chicken BBQ
 - Semi Private Training (SPT) – new business training model
- Gateway building continuing to monitor with the developer, their contract was extended to an October close date.
- Pitch Hamburg main event took at the end of May, it was successful assisting 3 new businesses in the Village. Additionally, one of last year's winners Merit Badge Books will be opening in their newly leased space in the Village of Hamburg soon.
- Woodlawn's Brownfield Opportunity Area held a meeting this past Monday, classification takes about a year. The HNYLDC property falls within the designated area.
- This coming Friday Doyle has a meeting with a representative from the county in efforts to open the line of communication for the areas in and around the new Buffalo Bills Stadium.

New Business:

Dave Manko spoke at length to the board about building costs; the rising cost of materials and the difficulty involved financing the Mission Hills project in the current state of the economy.

Director Doyle read the following resolution:

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") CONSENTING TO A SUBSTITUTED LESSEE TO CONSTRUCT, INSTALL AND EQUIP 55 – TWO BEDROOM SENIOR HOUSING UNITS AND A COMMUNITY CENTER ON CAMP ROAD, TOWN OF HAMBURG, AS AGENT FOR THE AGENCY FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE AND TO TAKE OTHER ACTION.

WHEREAS, MISSION HILLS DEVELOPER, 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 55 – two bedroom senior housing units and a community center at Camp Road in the Town of Hamburg for lease to the Agency and subsequent Leaseback to the Lessee (the "Project"); and

WHEREAS, the Town of Hamburg Industrial Development Agency (the "Agency") by resolution adopted on August 17, 2022 approved assistance for the Project and extended said inducement by resolution on September 20, 2023 and again on February 14, 2024; and

WHEREAS, the Lessee has asked to substitute a related entity: Villages at Mission Hills Phase IV, LLC as the Lessee to receive the same benefits as approved.

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

Section 1. The Agency hereby consents to the assignment of the approved benefits from Mission Hills Developer, LLC to Mission Hills Phase IV, LLC

Section 2. The Agency hereby consents that Mission Hills Phase IV, LLC is now the Lessee.

Section 3. This resolution shall take effect immediately.

-**Motion** to approve the above name change resolution and assignment of benefits to from Mission Hills Developer, LLC to Mission Hills Phase IV, LLC

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

Unfinished Business:

Director Doyle read the following resolution:

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING T&L BEACHFRONT HOLDINGS LTD. (THE "LESSEE") TO RENOVATE A 3,000 SQUARE FOOT WAREHOUSE/OFFICE AND TO CONSTRUCT, INSTALL AND EQUIP AN APPROXIMATELY 6,400 SQUARE FOOT WAREHOUSE/OFFICE ADDITION AT 97 EVANS STREET, VILLAGE OF HAMBURG, AS AGENT FOR THE AGENCY FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE AND FURTHER SUBLEASE TO SERVPRO OF SOUTHTOWNS, INC. (THE SUBLESSEE") AND TO TAKE OTHER ACTION.

WHEREAS, T&L BEACHFRONT HOLDINGS, LTD. (the "Lessee") has entered into negotiations with the officials of the Town of Hamburg Industrial Development Agency (the "Agency") with respect to the renovation of a 3,000 square foot warehouse/office and to construct, install and equip an approximately 6,400 square foot warehouse/office addition at 97 Evans Street, Village of Hamburg, as agent for the Agency for lease to the Agency and subsequent leaseback to the lessee and further sublease to **SERVPRO OF SOUTHTOWNS, 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 Project. If the assistance is granted, **the Lessee anticipates retaining 30 FTE and hiring another 5 FTE employees at the Project location** 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 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 Project at a total Project Cost of approximately **\$900,000.00**, 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, Secretary or Assistant Secretary or other officer may deem necessary in order to accomplish the above.

Section 5. The Lessee 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 amount up to **\$900,000.00** 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 **\$78,750.00**. The Agency may consider any requests by the Lessee 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 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 **seven year PILOT** ("PILOT Agreement") estimated to provide **\$97,261.00 in real property tax abatement benefits**, and resulting in estimated total payments in lieu of taxes of **\$24,315** 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 of approximately **\$200,000.00** ; but that the mortgage tax exemption benefit shall not exceed **\$1,750**.

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, Secretary 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, Secretary or Assistant Secretary of approximately **\$200,000.00** 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, Secretary 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 April 6, 2023, 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 two (2) years from the date hereof and on or after such two (2) 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.

-Motion to approve the SERVPRO project inducement resolution.

Moved: Bob Hutchison **Seconded:** Cam Hall

Cam Hall pointed out the following; this request is for \$175,000 in incentives for 5 jobs (conservatively) equates to \$35k in incentives per job with a starting salary of \$43,000. Amazon received incentives of \$6 million for 75/100 jobs (conservatively) averaging \$21 per hour which equals \$43,000 per year. Noteworthy since the board had received flack for the Amazon incentives.

Additionally, Amazon has since far exceeded their job requirements and has been a welcome addition to the Community, the Board appreciated the analysis.

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

Nays: none

Carried

Andy asked about the FOIL request received by the HIDA. Doyle stated it was from the Investigative Post, they wanted spend on attorney fees over the past few years. Investigating the correlation of monies paid to attorneys and attorney donations to political campaigns. Doyle collected the HIDA data and sent it to the Post.

-Privilege of the Floor – no comments

-Motion to adjourn at 8:29am

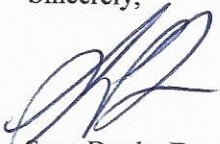
Moved: Tom Moses **Seconded:** Cam Hall

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

Nays: none

Carried

Sincerely,



Sean Doyle, Executive Director

Next meeting: July 10, 2024 7:30am
Blasdell Village Hall, 121 Miriam Avenue