



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

**Hamburg Industrial Development Agency
Board of Directors Meeting
July 10, 2024, 7:30am
Hamburg Volunteer Fire Department, 301 Union Street**

Present

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

Excused

Janet Plarr
Wence Valentin

Guests

Jennifer Strong, Neill & Strong
Mary Doran, HIDA
Jonathan Halas, Staub, via Zoom
Hamburg Sun, via Zoom

Executive Director

Sean Doyle

Pledge of Allegiance

-Roll Call

-Motion to open the board meeting at 7:48am

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

-Motion to approve the June 2024 board meeting minutes

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

Treasurer, Bob Reynolds, gave an update on the financials. Notable June expenses included \$25,000 grant to Pitch Hamburg and \$1,929.87 was received in interest, balance on the accounts \$785,766.51.

Cam Hall asked if Pitch received the donations required to complete the matching grant commitment.

Doyle confirmed Pitch received the matching funds and submitted the documents to the HIDA for the disbursement of the \$25,000 matching grant.

-Motion to approve the June 2024 Treasurer Report

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

Executive Director Update:

- Project employment year to date numbers; 10 jobs and 67 retained.
- Updated receivables \$243, 824 due anticipating August closings
- Two HDC Loans approved last month will be closing soon, one by the end of this week. Additionally two HDC loans have been paid in full within the past month. The program is running well.
- 3556 Lakeshore Road/Gateway building, developer received an extension to close in October. The Executive Committee has met with the developer regarding his plans for the site. The plot plan will be submitted to the planning board it was on the Town of Hamburg's board agenda this past Monday.
- Doyle met with Glendowlyn Thames of Amazon, she was in town from Connecticut regarding their development in Niagara County.
- Doyle has been in conversations with Erie County regarding strategic planning in and around the new Bills Stadium. Understanding of the level of use of the new stadium has to be done before rezoning.
- 10 Acre lot on Jeffery Blvd is under contract – the parcel is zoned light industrial.

- New Business:

Director Doyle read the following resolution:

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 58,000 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 58,000 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 inducement of a previous project with the Lessee by the Agency dated October 20, 2021 has expired and the Project contemplated herein replaces the 2021 application by the Lessee; and

WHEREAS, the Lessee has encountered an unanticipated increase in the cost of the Project and has submitted an amended application to the Agency for additional Agency assistance; and

WHEREAS, the increased 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, as amended, 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 58,000 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 33 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 58,000 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 of approximately **\$9,720,000.00**, 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 **\$3,998,860.00** 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 **\$349,900.00**. 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 **\$1,461,134.00 in real property tax abatement benefits**, and resulting in estimated total payments in lieu of taxes of **\$388,403.00** 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 **\$9,720,000.00**; but that the mortgage tax exemption benefit shall not exceed **\$72,900.00**.

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, 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 **\$9,720,000.00** 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 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 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.

Section 19. This resolution amends the resolution of the Agency adopted on March 13, 2024.

ADOPTED: July 10, 2024

ACCEPTED: July __, 2024

-Motion to approve the above resolution for increased sales tax and mortgage tax abatement.

Moved: Bob Reynolds **Seconded:** Andy Palmer

Hutchison stated the job numbers are the same as the original application.

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

Nays: none

Carried

Director Doyle read the following resolution:

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL
DEVELOPMENT AGENCY EXTENDING THE INDUCEMENT PERIOD
FOR GRIMSVIEW PROPERTIES, LLC PROJECT, UNTIL AUGUST 17, 2024.

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 Town of Hamburg Industrial Development Agency (the "Agency") by resolution adopted on October 20, 2021 approved assistance for the Project; and

WHEREAS, there has been delay in finishing the Project due to supply chain issues outside of the control of the Lessee; and

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

1. **The Agency does hereby extend the inducement period only for the Lessee from July 17, 2024 until August 17, 2024, with no extension fee.**
2. **This resolution shall take effect immediately.**

ADOPTED: July 10, 2024

ACCEPTED: July __, 2024

-Motion to approve the 30 day extension for Grimsview Properties with no extension fee.

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

There is no sales tax extension the project is slated to close by the end of the month.

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

Nays: none

Carried

Director Doyle read the following resolution:

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY LIMITING
TRANSFERS TO / FROM RESTRICTED SAVINGS ACCOUNTS

WHEREAS, THE HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (the "agency") seeks to achieve higher interest payments on certain retained equity

and, WHEREAS, the agency is interested in maintaining financial transparency among its members and the general public

and, WHEREAS, these accounts shall be certificates of deposit or demand deposit accounts within the agency's approved banks

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

1. **To / from transfers from approved banks on restricted savings accounts will be approved by a motion presented in a regular board meeting.**
2. **The motion will include limited account information and the total amount of deposit or withdrawal.**
3. **Transfer limit shall not exceed \$50,000**
4. **This resolution shall take effect immediately.**

-Motion to approve the funds transfer policy as stated above to further promote financial transparency.

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

-Old Business - none

-Privilege of the Floor – no comments

-Motion to adjourn at 8:20am

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

Sincerely,



Sean Doyle, Executive Director

Next meeting: August 14, 2024 7:30am
Blasdell Village Hall, 121 Miriam Avenue