

**Hamburg Industrial Development Agency  
Board of Directors Meeting  
April 07, 2009**

**Room 7A - Hamburg Town Hall**

**Present**

Steve Walters  
Marcella Fugle  
Paul Pellicano  
Tom Moses  
Matt Dils  
Norma Rusert-Kelly

**Excused**

Pattie Paul  
George Lee  
Kevin Smardz

**Guest**

Nathan Neill

**Executive Director**

Michael J. Bartlett

- **Motion** to open the Board of Directors meeting at 8:04a.m.

- **Motion** to approve the minutes from the February 24, 2009 Board of Directors meeting.

**Moved:** Paul Pellicano

**Seconded:** Marcella Fugle

**Ayes:** Walters, Dils, Rusert-Kelly, Moses

**Nays:** None

**Carried**

- **Motion** to approve the January 2009 Treasurer's Report.

**Moved:** Tom Moses

**Seconded:** Matt Dils

**Ayes:** Walters, Pellicano, Rusert-Kelly, Fugle

**Nays:** None

**Carried**

- **Motion** to approve February 2009 Treasurer's Report.

**Moved:** Marcella Fugle

**Seconded:** Tom Moses

**Ayes:** Walters, Pellicano, Rusert-Kelly, Dils

**Nays:** None

**Carried**

- **Motion** to approve the March 2009 Treasurer's Report.

**Moved:** Norma Rusert-Kelly  
**Ayes:** Walters, Pellicano, Moses, Dils  
**Nays:** None  
*Carried*

**Seconded:** Marcella Fugle

- **Executive Director Bartlett** requested the Board to consider a reduction in the Agency Administrative Fee in connection with the execution and delivery of a mortgage for Iovate. He explained when the company originally purchased their building from R&P Oak Hill there was no mortgage involved. However now, they are requesting the Agency to approve a seven million dollar mortgage on the property. The only benefit they will receive from Agency approval is an exemption from paying the 1% county mortgage tax. Our fee schedule call for 1% of the project cost which would mean the company would receive no benefit from the Agency's action. Because R&P Oak Hill paid an administrative fee of approximately \$4.2 million when the building was constructed it was felt charging another full 1% was not fair and the Board agreed.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY APPROVING A REDUCTION IN THE AGENCY ADMINISTRATIVE FEE REQUIRED IN CONNECTION WITH THE EXECUTION AND DELIVERY OF A MORTGAGE IN THE PRINCIPAL AMOUNT OF \$7,000,000 AND AN AMENDED AND RESTATED LEASE AGREEMENT IN CONNECTION WITH THE 2007 3880 JEFFREY BLVD INC. PROJECT.

**Moved:** Steve Walters  
**Ayes:** Moses, Rusert-Kelly, Pellicano, Fugle  
**Nays:** None  
*Carried*

**Seconded:** Matt Dils

- Petch Enterprises has requested that Interstate Asset Management LLC be substituted for Petch Enterprises, LLC as the Lessee for their project in the Town of Hamburg with no other changes.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AMENDING THE PRIOR RESOLUTION ADOPTED ON AUGUST 26, 2008, AUTHORIZING PETCH ENTERPRISES LLC (THE "LESSEE") TO ACQUIRE AND RENOVATE AN APPROXIMATELY 93,000 SQUARE FOOT BUILDING LOCATED AT 3374 LAKESHORE ROAD, HAMBURG, NEW YORK AND AUTHORIZING PRIVATE SYSTEMS OF WNY, INC (THE "COMPANY"), A SUBLESSEE OF THE PROPERTY AT 3374 LAKESHORE ROAD, TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR A MULTI-TENANT MANUFACTURING AND WAREHOUSING FACILITY, FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO THE LESSEE FOR SUBLEASE TO OTHER TENANTS INCLUDING PRIVATE SYSTEMS OF WNY, INC (THE "SUBLESSEES") AND AUTHORIZING AN EQUIPMENT LEASE AGREEMENT OR INSTALLMENT SALE AGREEMENT BETWEEN THE AGENCY AND THE COMPANY AND TO TAKE OTHER PRELIMINARY ACTION.

**Moved:** Paul Pellicano  
**Ayes:** Dils, Fugle, Moses, Rusert-Kelly  
**Nays:** None  
*Carried*

**Seconded:** Steve Walters

- **Clawbacks** - The question of adopting the clawback provision adopted by the other five IDA's in Erie County was discussed. Nathan Neill explained that the other IDA's were concerned that something worse could be forced on us if we did not adopt our own provision. It was also pointed out that all IDA's in Erie County have been operating under a uniform common policy and if we don't adopt this provision we could be criticized. Steve Walters expressed his opposition to the provision as he feels it's subjective and bad for business. No action was taken at this time.

- **Executive Director Bartlett** informed the Board that Steve Walters and himself had met with representatives from

the UAW and Empire State Development Corp. The union was looking for help in selling their property. Taxes on the property are \$33,000 and the union lost \$75,000 in 2008 with \$100,000 left in the bank. Bartlett told the UAW representatives that he has submitted the site to several prospects and would continue to do so. Also we would work to have the site placed on the States "Site Selector" listing and the BNE's site list. We also emphasized that we would work with any potential buyers to put an incentive package together.

**- Mammosers Tavern** - An application for assistance under the Town's "Enhancement Area" program was discussed. They are looking to lay a concrete slab in the back of their building and erect an open sided structure similar to a pole barn. They would also be purchasing a walk-in cooler, upgrading their electricity and painting their existing building. The assistance would take the form of a sales tax exemption on anything purchased for the project.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY  
AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN INSTALLMENT  
SALE AGREEMENT WITH MAMMOSER'S TAVERN & RESTAURANT, INC. AND OTHER  
INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH IN CONNECTION WITH THE  
CONSTRUCTION OF AN APPROXIMATELY 600 SQUARE FOOT BUILDING TO HOUSE A WAL-  
IN COOLER AND PATIO TO BE LOCATED AT 16 SOUTH BUFFALO STREET IN THE VILLAGE  
OF HAMBURG, THE RENOVATION OF THE EXISTING BUILDING AND THE ACQUISITION OF  
MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH.

**Moved:** Paul Pellicano

**Seconded:** Marcella Fugle

**Ayes:** Walters, Moses, Rusert-Kelly, Dils

**Nays:** None

**Carried**

**- HIDA Real Property Acquisition Policy** - It was pointed out that the State requires IDA's to have a Real Property Acquisition Policy and the Hamburg IDA had yet to adopt one. A suggested policy was presented to the Board which named Michael J. Bartlett as the Agency's contracting officer. It was felt that rather than naming an individual as the contracting officer that the Agency's Executive Director should be named.

**- Motion** to adopt the Town of Hamburg Industrial Development Agency Real Property Acquisition Policy as amended.

**Moved:** Matt Dils

**Seconded:** Norma Rusert-Kelly

**Ayes:** Walters, Moses, Fugle, Pellicano

**Nays:** None

**Carried**

**- The Board** was informed that the Paris Report was completed, submitted and accepted and that everything from the report that is required to be on our website is there.

**- Copies of the 2008 audit** were handed out to those in attendance. It was pointed out that the Agency made a profit of \$24,443 in 2008 on revenues of \$134,508 and expenses of \$110,065. Net assets for year-end 2008 were \$499,980.00.

**- It was decided** to change the day of the Board meetings from Tuesday's to Thursdays to enable Matt Dils and Patti Paul to attend more meetings.

**- Executive Director Bartlett** informed the Board that he will be attending the Economic Development Council's Annual meeting in Cooperstown on May 19<sup>th</sup>, 20<sup>th</sup>, and 21<sup>st</sup>. In addition, he will be on vacation from May 26<sup>th</sup> through May 29<sup>th</sup>.

**- Motion** to adjourn at 8:42 a.m.

**Moved:** Tom Moses

**Ayes:** Walters, Dils, Fugle, Pellicano

**Nays:** None

*Carried*

**Seconded:** Norma Rusert-Kelly

Sincerely,

Michael J. Bartlett  
Executive Director