

**Hamburg Industrial Development Agency
Board of Directors Meeting
June 03, 2011
Room 7B - Hamburg Town Hall**

**Public Hearings: Triple R Properties LLC
5748 South Park Ave LLC**

Present

Amy Ziegler
Tom Moses
Steve Walters
Marcella Fugle
Norma Rusert-Kelly

Excused

Patti Paul
Matt Dils
Lou McDonald
Paul Pellicano

Executive Director

Michael J. Bartlett

Guest

Craig Cwick
Nathan Neill
Joe Russo
Brian Brochette
Wayne Lewis
Themis Koutsandreas

- **Moved** to open the public hearing for Triple R Properties LLC at 8:06am.

- **Joe Russo, President of Russo Development** was introduced and presented his project to the Board. Joe is in negotiations with Penskie Trucking to purchase their property on Old Milestrip Road and move his construction company to the site from Springville. His current site in Springville is 4 acres which is too small for his needs. The Penskie site has 6 ½ acres which are paved and a 21,000 sq ft building. Joe's company offers site development services, utilities services and environmental services. He employs 20 employees year round and 40 during the summer. Joe claims there are no environmental issues with the property. This is a big move for the company and Joe is requesting assistance in the form of an incentive package that includes an exemption from the 1% mortgage tax, an exemption from paying the 8 3/4% NY State sales tax on anything purchased for the project and a 10 year Pilot equivalent to the 485B tax exemptions.

- **Move** to close the public hearing for Triple R Properties at 8:10am.

- **Move** to open the public hearing for 5748 South Park Avenue LLC at 8:10am.

- **Themis Koutsandreas, the owner of Pegasus Restaurant** on South Park Avenue was introduced and presented his project to the Board. He is purchasing the former Michael Anthony's Restaurant on Camp Road and re-opening it as a restaurant. He anticipates initially employing 10 people. This is an Adaptive Re-Use project which will be eligible for a mortgage tax exemption, a sales tax exemption for anything purchased for the project and a seven year tax abatement.

- **Move** to close the public hearing for 5748 South Park Avenue LLC at 8:12am.

- **Moved** to open the Board of Directors meeting at 8:12a.m.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY")
AUTHORIZING TRIPLE R PROPERTIES LLC (THE "LESSEE") TO ACQUIRE AN EXISTING
APPROXIMATELY 21,000 SQ FT BUILDING ON AN APPROXIMATELY 21 ACRE PARCEL OF LAND
LOCATED AT 3710 MILESTRIP ROAD IN THE TOWN OF HAMBURG, TO RENOVATE THE EXISTING

BUILDING AND TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR AN OFFICE, MAINTENANCE AND STORAGE FACILITY FOR A CONTRACTOR SPECIALIZING IN SITE WORK, UTILITY AND ENVIRONMENTAL CONTRACTING, FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE, FOR SUB-SUBLEASE TO RUSSO DEVELOPMENT, INC. (THE "SUBLESSEE") AND TO TAKE OTHER PRELIMINARY ACTION.

Moved: Steve Walters

Seconded: Amy Ziegler

Ayes: Walters, Fugle, Moses, Rusert Kelly, Ziegler

Nays: None

Carried

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING 5748 SOUTH PARK AVENUE, LLC (THE "LESSEE") TO ACQUIRE AN EXISTING APPROXIMATELY 5966 SQUARE FOOT BUILDING ON AN APPROXIMATELY 1.88 ACRE PARCEL OF LAND LOCATED AT 3679 COMMERCE PLACE IN THE TOWN OF HAMBURG, TO RENOVATE THE EXISTING BUILDING AND TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR A COMMERCIAL RESTAURANT FACILITY, FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE FOR SUB-SUBLEASE TO 3679 COMMERCE PLACE LLC (THE "SUBLESSEE") AND TO TAKE OTHER PRELIMINARY ACTION.

Moved: Norma Rusert Kelly

Seconded: Marcella Fugle

Ayes: Fugle, Moses, Rusert Kelly, Walters, Ziegler

Nays: None

Carried

The Agency has received a request from K-Technologies to approve a subordination agreement in connection with the provision of supplemental financing through Empire State Certified Development Corporation. A loan from Empire State Development was always part of the financial package which allowed K-Technology to purchase the former Krepe Kraft building in Hamburg. However, due to delays the closing on this loan is now just occurring. Empire State Development is requesting the Agency to subordinate the lease to Agency and the leaseback agreement to the financing provided by Empire State Development Corp. Our lease agreement allows for this but requires specific Board approval. The resolution we will be acting on gives this approval.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBORDINATION AGREEMENT AND ANY OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE PROVISION OF SUPPLEMENTAL FINANCING THROUGH EMPIRE STATE CERTIFIED DEVELOPMENT CORPORATION FOR THE 2009 K-TECHNOLOGIES, INC PROJECT.

Moved: Norma Rusert Kelly

Seconded: Marcella Fugle

Ayes: Ziegler, Rusert Kelly, Moses, Fugle, Walters

Nays: None

Carried

- **Appolson Performance** - The Agency has received a request from the company asking us to authorize a new mortgage. The original mortgage is maturing and it had a five year renewable clause which needs Board approval.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE AND THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS AND AGREEMENTS REQUIRED IN CONNECTION THEREWITH IN CONNECTION WITH THE REFINANCING OF THE 2005 APPOLSON PERFORMANCE CENTER INC PROJECT.

Moved: Steve Walters

Seconded: Amy Ziegler

Ayes: Moses, Fugle, Rusert Kelly, Walters, Ziegler

Nays: None

Carried

- **D.W Holdings LLC** - In 2004 we approved a project which involved the construction of a building located at 60 Main Street by Boston State Holding Company for sublease to LHR Inc. We have been requested to consent to assignment of the leasehold interest in the facility to DW Holdings LLC (same owners as LHR) and the assumption by DW Holdings of the obligations of the lessee with LHR remaining as the subleasee. We have also been asked to consent to granting a mortgage in the amount of \$1,700,000.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ASSIGNMENT AND ASSUMPTION BY DW HOLDINGS LLC OF THE LEASEHOLD INTEREST OF BOSTON STATE HOLDING COMPANY LLC IN THE 2005 BOSTON STATE HOLDING COMPANY LLC PROJECT AND THE EXECUTION AND DELIVERY OF A MORTGAGE IN CONNECTION THEREWITH.

Moved: Norma Rusert Kelly

Seconded: Amy Ziegler

Ayes: Walters, Moses, Fugle, Rusert Kelly, Ziegler

Nays: None

Carried

- **Motion** to approve the minutes from the May 06, 2011 Board of Directors meeting.

Moved: Amy Ziegler

Seconded: Norma Rusert Kelly

Ayes: Ziegler, Rusert Kelly, Walters, Moses, Fugle

Nays: None

Carried

- **Motion** to adjourn at 8:22 a.m.

Moved: Amy Ziegler

Seconded: Marcella Fugle

Ayes: Fugle, Rusert Kelly, Walters, Ziegler, Moses

Nays: None

Carried

Sincerely,

Michael J. Bartlett
Executive Director