

**Hamburg Industrial Development Agency
Board of Directors Meeting
July 22, 2011
Village of Blasdell Board Room
Public Hearing: Buffalo Shredding & Recovery LLC**

Present

Matt Dils
Tom Moses
Steve Walters
Marcella Fugle
Lou McDonald

Excused

Patti Paul
Amy Ziegler
Norma Rusert-Kelly
Paul Pellicano

Executive Director

Michael J. Bartlett

Guest

Craig Cwick
Nathan Neill
Jim Bucki
Rick Rothfuss
Mike Damico
Chris Gordon

- **Moved** to open the public hearing for Buffalo Shredding & Recovery LLC at 8:18am.

- **Jim Bucki, General Manager of Metalico Transport** was introduced and presented his project to the Board. Applicant plans to lease from a company affiliate a portion of the former Bethlehem Steel/Mittal complex in Western New York, including the abandoned galvanizing mill, as the site for a new shredder.

The 44 acre parcel at the corner of Rt 5 and Lake Avenue on the border of the Town of Hamburg and Blasdell, includes a 177,500 sq ft building. Applicant plans to install a heavy-duty 96-104 metal shredder manufactured by Texas Shredder, inside the building which will still provide ample additional space for other recycling activity. The location is appropriately zoned for the company's contemplated use and approvals are in place for outdoor storage and process of scrap metals.

The planned 96" by 104" scrap metal shredder will be powered with a 4,000 hp (2,984 kw) electric motor with an operating speed of 600 rpm, suitable for processing 100 to 120 tons per hour of shreddable ferrous scrap. The installation will include a new state-of-the-art downstream separation system to maximize the recovery of valuable non-ferrous products. Secondary products will be stainless steel, copper, aluminum, and mixed non-ferrous metals.

Applicant expects to produce 120,000 tons per year of high quality shredded steel scrap by combining feedstock generated from its own yards and material available for purchase in the region. The company looks to satisfy growing demand for shred from electric arc furnace mills, export markets and other consumers.

Traffic, air quality and noise issues were addressed by Jim Bucki as a result of questions from the Board.

- **Move** to close the public hearing for Buffalo Shredding and Recovery at 8:41am.

- **Moved** to open the Board of Directors meeting at 8:41a.m.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING CATHERINE LAKE, LLC (THE "LESSEE") TO ACQUIRE AN EXISTING APPROXIMATELY 44 ACRE PARCEL OF LAND WITH AN EXISTING APPROXIMATELY 177,500 SQUARE FOOT BUILDING THEREON LOCATED AT 3175 LAKE SHORE ROAD IN THE TOWN OF HAMBURG, WHICH PROPERTY WAS FORMERLY THE ARCELOR MITTAL GALVANIZING MILL, TO RENOVATE THE EXISTING BUILDING AND TO UNDERTAKE SITE WORK REQUIRED IN CONNECTION WITH THE OPENING BY BUFFALO SHREDDING AND RECOVERY, LLC (THE "SUBLESSEE") OF A SHREDDING AND RECYCLING FACILITY AND AUTHORIZING THE SUBLESSEE TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR THE ADOPTIVE REUSE OF THE FORMER ARCELOR MITTAL GALVANIZING MILL INTO A SHREDDING AND RECYCLING FACILITY, FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE FOR SUB-SUBLEASE TO THE SUBLESSEE AND TO TAKE OTHER PRELIMINARY ACTION.

Moved: Marcella Fugle

Seconded: Steve Walters

Ayes: Walters, Fugle, Moses, Dils, McDonald

Nays: None

Carried

- **Mike Damico, a principal in Milesports**, was introduced and presented his project to the Board. Milesports is hoping to open the Waterfront Sports and Entertainment Center at 3100 Lakeshore Road (former Sweeney Steel). The facility will start with two 200' x 70 athletic turf fields that can be used as a training center for lacrosse, soccer, football, softball and adult kick-ball. Future expansion both indoors and outdoors is being considered. They also hope to have a sports medicine center run by UB's orthopedic department and a fitness 19 location along with a refreshment and entertainment area. This would be sales tax exemption only project.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN INSTALLATION SALE AGREEMENT WITH MILESPORTS LLC AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH .

Moved: Tom Moses

Seconded: Matt Dils

Ayes: Fugle, Moses, McDonald, Walters, Dils

Nays: None

Carried

- **Village of Mission Hills LLC** - The agency has received a commitment letter for the financing of the project which showed the identity of the lessee has changed. The resolution the Board is acting on substitutes Village of Mission Hills LLC for Liberty Park Senior Corp which was the entity the Board originally induced.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AMENDING THE PRIOR RESOLUTION ADOPTED ON APRIL 23, 2010 AND EXTENDED ON FEBRUARY 4, 2011 AUTHORIZING LIBERTY PARK SENIOR CORP (THE "LESSEE") TO CONSTRUCT 14 SENIOR APARTMENT BUILDINGS WITH 8 APPROXIMATELY 1,040 SQUAR FOOT APARTMENTS IN EACH BUILDING FOR SENIORS OVER THE AGE OF 55 CAPABLE OF INDEPENDENT LIVING ON AN APPROXIMATELY 27.6 ACRE PARCEL OF L AND LOCATED AT 4543 CAMP ROAD IN THE TOWN OF HAMBURG AND TO ACQUIRE AND INSTALL MACHINERY, EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRE IN CONNECTION THEREWITH, ALL FOR AN SENIOR HOUSING FACILITY AND A RETAIL FACILITY UNDER THE ACT, FOR SALE OR LEASE TO THE AGENCY AND SUBSEQUENT LEASE FOR SUBLEASE TO THE LESSEE AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT AND A MORTGAGE IN AN AMOUNT NOT TO EXCEED \$12,000,000 AND OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE MORTGAGE AND TO TAKE OTHER PRELIMINARY ACTION TO SUBSTITUTE VILLAGES OF MISSION HILLS LLC AS THE LESSEE.

Moved: Lou McDonald

Seconded: Marcella Fugle

Ayes: Walters, Moses, Dils, McDonald, Fugle

Nays: None

Carried

- **Motion** to approve the minutes from the June 03, 2011 Board of Directors meeting.

Moved: Steve Walters

Seconded: Tom Moses

Ayes: McDonald, Dils, Walters, Moses, Fugle

Nays: None

Carried

- **Motion** to approve the May 2011 Treasurers Report.

Moved: Marcella Fugle

Seconded: Matt Dils

Ayes: Walters, McDonald, Moses, Fugle, Dils

Nays: None

Carried

- **Motion** to approve the June 2011 Treasurers Report.

Moved: Steve Walters

Seconded: Tom Moses

Ayes: Dils, Fugle, McDonald, Walters, Moses

Nays: None

Carried

- **Executive Director Bartlett** informed the Board that Ford's sales tax exemption expires on August 15, 2011. He has been in discussions with the local Ford Plant and they are working on an application for a new extension period. To give Ford time to submit the application and a public hearing to be set, Executive Director Bartlett asked the Board for a one month extension of the existing exemption.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY GRANTING A ONE MONTH EXTENSION TO FORD MOTOR CO BUFFALO STAMPING PLANT IN CONNECTION WITH THE 2006 FORD MOTOR CO BUFFALO STAMPING PLANT PROJECT.

Moved: Matt Dils

Seconded: Steve Walters

Ayes: Moses, McDonald, Fugle, Dils, Walters

Nays: None

Carried

- **Executive Director Bartlett** discussed an overview of State Comptroller Thomas DiNapoli's annual report examining the performance of the State's IDA's in 2009. Bartlett made the following comments concerning the report:

1. Reflects the Comptroller's bias that state control of monies is more important than local control by a board of directors of community members (NY's best tag line "We know better than you.")
2. Makes totally reckless and unscientific correlations between IDA incentives and job losses in some counties.
3. Implies that the value of incentives to financial institutions, insurance, and real estate projects are of lesser value than manufacturing (Lets hang on to the myths of the past)
4. Sites relatively few reporting mistakes as justification to impose new rules
5. Makes no reference to the new reporting responsibilities of IDA's as a measure of greater accountability and a response to the same criticisms
6. Never recognizes the complex problems of economic development including state imposed taxes, regulations, and inertia
7. And finally, reflects an incredible arrogance for a representative from the second worst state to do business

Bartlett informed the Board that he had a copy of the report and to contact him if anyone wanted the complete report.

A brief discussion concerning Governor Cuomo's creation of Regional Economic Development Councils took place

and a statement from Brian McMahon, Executive Director of the NYS Economic Development Council and a press release from the Governor's office was handed out.

- **Motion** to adjourn at 9:09 a.m.

Moved: Lou McDonald

Seconded: Steve Walters

Ayes: Fugle, McDonald, Walters, Dils, Moses

Nays: None

Carried

Sincerely,

Michael J. Bartlett
Executive Director