

Hamburg Industrial Development Agency

Board of Directors Meeting

September 20, 2013

**Village of Hamburg Council Room
Public Hearing: 84 Lake Street Holding Company LLC**

Present

Steve Walters
Jack Chiappone
Tom Moses
Amy Ziegler
Patricia Paul
Mike Sendor
Matt Dills
Lou McDonald
Norma Rusert-Kelly

Guests

Nathan Neill
Mike Stachera
Brian Attea

Executive Director

Michael J. Bartlett

- **Move** to open the Public Hearing for 84 Lake Street Holding Company LLC at 8:02 am.

- **Mike Stachera** was introduced to the Board to present his project for Board consideration. Mike is proposing to purchase the former Bella Day Spa building located at 84 Lake Street in the Village of Hamburg. The building has been abandoned for the past three years without utilities and has been decaying. The cost of purchasing and construction to finish is \$575,000 and will include:

- entire new roof and gutters
- new heating and cooling for the whole building along with two fireplace inserts
- separation of utilities and a new larger water service
- new flooring, decorating and painting
- new plumbing and lighting fixtures
- remodeling of the two second floor apartments
- installing ten new windows
- reinventing landscaping
- driveway and parking lot repairs (cost to replace is an additional \$55,000)

The 5400 square foot main structure will be separated into four individual units. One of the first floor units will be occupied by Boots or Hearts Hair and Nail Salon owned by Mike. There will be two upper apartments on the second floor. The fourth unit will be a first floor prime office space facing Lake Street. Executive Director Bartlett said the project qualifies under the Agency's Adaptive Re-Use Policy and will receive a seven year property tax abatement, mortgage tax exemption and sales tax exemption. Several Board members expressed concern over the hair salon receiving tax incentives due to the retail nature of the business. However, the retail portion of the project represents less than one-third of the total project cost and thus the whole project is eligible for assistance under current IDA legislation. The project will create 10-15 employees.

- **Move** to close the Public Hearing for 84 Lake Street Holding Company LLC at 8:18 am.

- **Move** to open the Board of Directors meeting at 8:18 am.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING 84 LAKE STREET HOLDING COMPANY, LLC (THE "LESSEE") TO RENOVA TE AN EXISTING APPROXIMATELY 5,400 SQUARE FOOT BUILDING LOCATED AT 84 LAKE STREET IN THE VILLAGE AND TOWN OF HAMBURG, WHICH PROPERTY HAS BEEN VACANT FOR THREE YEARS AND TO ACQUIRE AND INSTALL MACHINERY, EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRED IN CONNECTION THEREWITH, ALL FOR THE ADOPTIVE REUSE OF THE FORMER BELLA DAY SPA INTO A MULTI-TENANT MIXED USE FACILITY, FOR LEASE TO THE AGENCY AND SUBSEQUENT LEASEBACK TO THE LESSEE FOR SUB-SUBLEASE TO OTHER TENANTS AND TO TAKE OTHER PRELIMINARY ACTION.

Moved: Norma Rusert-Kelly

Seconded: Matt Dils

Ayes: Walters, Moses, Paul, Ziegler, McDonald, Sendor, Rusert-Kelly, Dils, Chiappone

Nays: none

Carried

- The attorney for F & M Saeli informed the Agency that the bank's attorney for the Company's refinancing approved the Agency on June 28, 2013, had requested a resolution specifically approving the execution and delivery of a deed before allowing the quit claim deed to be recorded.

RESOLUTION FO THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A DEED TO F & M SAELI, LLC AND A LEASE TO AGENCY IN CONNECTION WITH THE REFINANCING OF THE 2007 ABASCO INC. PROJECT

Moved: Matt Dils

Seconded: Steve Walters

Ayes: Ziegler, Moses, Chiappone, Paul, Rusert-Kelly, McDonald, Sendor, Dils, Walters

Nays: None

Carried

- For the remaining projects the Agency holds fee title (bond involved), Nathan Neill suggests the Board pass a blanket authorization resolution authorizing the reconveyance out of fee title and approving a lease to Agency. This will allow the Agency to act without needing approval on a project by project basis. This benefits the Agency as our potential liability exposure is greater with projects we hold fee title as opposed to lease/lease back projects.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A DEED BACK TO LESSEE AND A LEASE TO AGENCY TO ALLOW THE AGENCY TO CONVERT EXISTING FEE TITLE INTERESTS IN PROJECTS TO LEASEHOLD INTEREST IN PROJECTS

Moved: Steve Walters

Seconded: Amy Ziegler

Ayes: McDonald, Paul, Moses, Chiappone, Dils, Rusert-Kelly, Sendor, Walters, Ziegler

Nays: None

Carried

- The Agency has received a letter from Roger Duffett, managing partner of RGDM, LLC. The Agency had induced his project (15,000 square foot building on Maelou Drive) on July 20, 2012. Unfortunately, he has had little success in attracting interested tenants. He is currently in the final stages fo signing a five-year lease with a prospective tenant for 8,000 square feet of his building. The sales tax exemption has been a key factor in the lease negotiations and he is requesting an extension of his inducement resolution to assist in completing lease negotiations and attract additional tenants

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY GRANTING A ONE YEAR EXTENSION TO RGDM, LLC OF THE INDUCEMENT RESOLUTION APPROVED BY THE AGENCY ON JULY 20, 2012

Moved: Matt Dils

Seconded: Mike Sendor

Ayes: Walters, Ziegler, Moses, Rusert-Kelly, Chiappone, McDonald, Dils, Sendor

Nays: None

Carried

- The Agency has been approached by K & H Industries to approve a resolution authorizing the refinance of the 2010 K & H Industries Project.

RESOLUTION OF THE TOWN OF HAMBURG INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED LEASE
AGREEMENT OR LEASE AGREEMENT AMENDMENT, IF REQUIRED, A MORTGAGE AND THE
EXECUTION AND DELIVERY OF OTHER DOCUMENTS AND AGREEMENTS REQUIRED IN
CONNECTION THEREWITH IN CONNECTION WITH THE REFINANCING OF THE 2010
K & H INDUSTRIES, INC. PROJECT

Moved: Amy Ziegler **Seconded:** Jack Chiappone
Ayes: Walters, Paul, McDonald, Sendor, Moses, Rusert-Kelly, Dils, Ziegler, Chiappone
Nays: None
Carried

- With the appointment of Jack Chiappone to the HIDA Board as the Frontier School Board representative in place of Janet Plarr, Executive Bartlett recommended the following committee assignments:

- Jack Chiappone to serve on the Finance Committee in Janet Plarr's place and to replace Tom Moses on the Governance Committee.
- Tom Moses to replace Janet Plarr on the Executive Committee.

- **Motion** to approve the HIDA committee assignments as submitted

Moved: Amy Ziegler **Seconded:** Matt Dils
Ayes: Walters, McDonald, Rusert-Kelly, Moses, Sendor, Paul, Chiappone, Dils, Ziegler
Nays: None
Carried

- **Motion** to approve the Minutes from the August 16, 2013 Board of Directors Meeting.

Moved: Amy Ziegler **Seconded:** Norma Rusert-Kelly
Ayes: Walters, McDonald, Moses, Sendor, Paul, Chiappone, Dils, Ziegler, Rusert-Kelly
Nays: None
Carried

- **Motion** to approve the August 2013 Treasurer's Reports.

Moved: Lou McDonald **Seconded:** Amy Ziegler
Ayes: Walters, Sendor, Paul, Rusert-Kelly, Dils, Moses, Chiappone, Ziegler, McDonald
Nays: None
Carried

- **Motion** to adjourn at 8:34 am.

Moved: Norma Rusert-Kelly **Seconded:** Amy Ziegler
Ayes: Walters, Moses, Chiappone, McDonald, Sendor, Paul, Dils, Ziegler, Rusert-Kelly
Nays: None
Carried

Sincerely,

Michael J. Bartlett
Executive Director