

REGULAR NCIDA/NCDC/NADC BOARD MEETING MINUTES

Wednesday, September 13, 2017 – 9:00 a.m.

Meeting Place: Niagara County Industrial Development Agency
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132

1.0 Meeting Called to Order

The regular meeting of the Niagara County Industrial Development Agency was called to order by Chairperson Brady at 9 a.m.

Roll Call

Stephen F. Brady, Chairperson	Present
Mark A. Onesi, First Vice Chairperson	Excused
Joan G. Aul, Second Vice Chairperson	Present
Kevin McCabe, Secretary	Present
Jerald I. Wolfgang, Assistant Secretary	Present
Michael W. McNally, Member	Excused
Willie C. Dunn, Member	Excused
William L. Ross, Member	Present
Arthur G. Pappas, Member	Present

3.0 Chairperson Brady led the Pledge of Allegiance.

4.0 Introductions

Guest Present:

Tom Prohaska	Buffalo News
Alex Kammerer	Voss Manufacturing
Tom Kammerer	Voss Manufacturing
Max Coykendall	NBR Holdings
Silvio DeRubeis	NBR Holdings

Staff Present:

Samuel M. Ferraro, Executive Director
Susan C. Langdon, Director of Projects & Finance
Andrea Klyczek, Director of International & Regional Marketing
Michael S. Dudley, Finance Manager
Mark J. Gabriele, Agency Counsel
Barbara A. Gill, Administrative Coordinator/Recording Secretary

5.0 Approval of NCIDA Meeting Minutes

5.1 Meeting Minutes of August 9, 2017

Mr. Wolfgang stated that he had reviewed the meeting minutes and found them to be in order.

Mr. Wolfgang made a motion to approve the meeting minutes; Mr. Ross seconded the motion. The motion passed.

6.0 Finance & Audit Committee Reports

6.1 Agency Payables

Mr. McCabe stated that he had reviewed the Payables and found them to be in order.

Mr. McCabe made a motion to approve the payables; Mayor Pappas seconded the motion. The motion passed.

6.2 Budget Variance Report

Mr. McCabe stated that he had reviewed the Budget Variance Report and found the report to be in order.

Mr. McCabe made a motion to approve the report; Mayor Pappas seconded the motion. The motion passed.

7.0 Unfinished Business

7.1 NFNH Hotel Management, LLC

The project is an indoor waterpark that will consist of the construction of a 150,000 square foot, 2-story indoor waterpark on a vacant lot adjacent to the Sheraton Hotel. This family-oriented attraction will draw tourists to the City of Niagara Falls throughout the entire year. The company is requesting a twelve (12) year property tax abatement and sales tax abatement.

Ms. Langdon stated that the Public Hearing was held on September 5, 2017 with five (5) attendees and two (2) speakers. The project will create forty (40) new jobs.

7.1.1 Final Resolution

Mr. Wolfgang motioned to approve the Final Resolution; Mayor Pappas seconded the motion. The motion passed.

7.0 Unfinished Business Continued

7.1 NFNH Hotel Management Continued

7.1.1 Final Resolution Continued

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF NFNH HOTEL MANAGEMENT, LLC AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS; AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[]	[]	[]	[X]
Joan G. Aul	[]	[X]	[]	[]
Michael W. McNally	[]	[]	[]	[X]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

7.0 Unfinished Business Continued

7.2 Sanborn Distillery Corp.

Ms. Langdon stated that Leon Safir plans to construct a 7,000 square foot building on a 2.8 acre lot located in Vantage Park. The company will blend and bottle alcoholic beverages including vodka, whiskey and gin. They are requesting a fifteen (15) year property tax abatement and sales tax abatement. Six (6) new jobs will be created.

The Public Hearing was held on September 6, 2017 with two (2) attendees and no speakers.

7.1.1 Final Resolution

Mr. Ross motioned to approve the Final Resolution; Ms. Aul seconded the motion. The motion passed unanimously.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF **SANBORN DISTILLERY CORP.** AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS; AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[]	[]	[]	[X]
Joan G. Aul	[X]	[]	[]	[]
Michael W. McNally	[]	[]	[]	[X]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

7.0 Unfinished Business Continued

7.3 CRS Truck & Trailer Service, Inc.

The company offers a full service facility for truck and trailer maintenance and repair. The company needs to establish an on-site waste water treatment plant, boiler system and compressor air system, and the project will also entail the construction of a 1,600 square foot addition to the existing building to house specific tote wash equipment. Eight (8) full-time jobs will be retained and three (3) new full-time jobs created.

Ms. Langdon stated that the Public Hearing was held on September 5, 2017 with two (2) attendees and no speakers.

7.3.1 Final Resolution

Ms. Aul motioned to approve the Final Resolution; Mr. Wolfgang seconded the motion. The motion passed unanimously.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF **CRS TRUCK & TRAILER SERVICE, INC.** AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS; AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

7.0 Unfinished Business Continued

7.3 CRS Truck Continued

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[]	[]	[]	[X]
Joan G. Aul	[X]	[]	[]	[]
Michael W. McNally	[]	[]	[]	[X]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

8.0 New Business

8.1 Voss Manufacturing, Inc.

Ms. Klyczek stated that the company builds tooling, equipment, fabrications and machined components for the heat transfer and custom machinery market.

Voss Manufacturing started as a small tool and die shop and has grown and diversified into a company which designs and builds tooling, equipment, fabrications and machined components for the heat transfer and custom machinery market. Vice President Tom Kammerer spoke to the Board Members and discussed his plans for an expansion of approximately 25,000 square feet, the purchase of new equipment, and the creation of 5.5 full time equivalent jobs high paying jobs. Ninety-seven (97) full time existing jobs will be retained.

They are requesting a fifteen (15) year property tax abatement and sales tax and mortgage recording tax abatements.

8.1.1 Preliminary Resolution

Mr. Ross motioned to approve the Preliminary Resolution; Ms. Aul seconded the motion. The motion passed unanimously.

8.0 New Business Continued

8.1 Voss Manufacturing Continued

8.1.1 Preliminary Resolution Continued

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF VOSS MANUFACTURING, INC. WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF VOSS MANUFACTURING, INC. OR AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[]	[]	[]	[X]
Joan G. Aul	[X]	[]	[]	[]
Michael W. McNally	[]	[]	[]	[X]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

8.1.2 Authorize Public Hearing

Mayor Pappas motioned to authorize the Public Hearing; Mr. McCabe seconded the motion. The motion passed unanimously.

8.0 New Business Continued

8.2 NBR Holdings, Inc.

Ms. Langdon stated that NBR Holdings, Inc. (a subsidiary of Niagara Bridge and Rail) wants to purchase the Certified Fabrications' property from Christopher Karnavas and Niagara Bridge and Rail will purchase the assets of Certified Fabrications.

The NCIDA had originally granted a PILOT for the Certified Fabrications property in 2008. NBR would like to assume the remaining six (6) years left on the PILOT and is applying for a mortgage recording tax abatement for the sale and sales tax abatements on new equipment to be purchased. Silvio DeRubeis is the sole owner of NBR Holdings, Inc. and the majority shareholder of Bridge Components d/b/a Niagara Bride and Rail. He was present at the Board Meeting to answer any questions the Board Members may have had. Fifteen (15) jobs will be retained.

Mr. Gabriele stated that because incentives to the company will amount to less than \$100,000, a public hearing is not required.

8.2.1 Assignment & Assumption

Mr. Wolfgang motioned to approve the Assignment & Assumption; Mayor Pappas seconded the motion. The motion passed unanimously.

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE ASSIGNMENT OF AND ASSUMPTION OF **CERTIFIED FABRICATIONS, INC.** PROJECT TO NBR HOLDINGS, INC. INCLUDING THE ASSUMPTION OF EXISTING LEASE, LEASEBACK, PILOT AGREEMENT, TOGETHER WITH ALL ASSOCIATED DOCUMENTS RELATING TO THE FACILITY CURRENTLY RECEIVING BENEFITS FROM THE AGENCY.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Stephen F. Brady	[X]	[]	[]	[]
Mark Onesi	[]	[]	[]	[X]
Joan G. Aul	[X]	[]	[]	[]
Michael W. McNally	[]	[]	[]	[X]
Kevin McCabe	[X]	[]	[]	[]
Jerald I. Wolfgang	[X]	[]	[]	[]
Willie Dunn	[]	[]	[]	[X]
William L. Ross	[X]	[]	[]	[]
Arthur G. Pappas	[X]	[]	[]	[]

The Resolutions were thereupon duly adopted.

9.0 Information Items

There were no informational items at this time.

10.0 Agency Counsel

At this time, Mark Gabriele asked for a motion to add a late item to the agenda.

Mayor Pappas motioned to approve the late item for discussion; Ms. Aul seconded the motion. The motion passed unanimously.

Indian Ocean, LLC – Request for Permanent Financing

Mr. Gabriele stated that the Agency received a letter from Nirel Patel, Vice President of Indian Ocean, LLC. Mr. Patel has requested the Board's approval of their permanent financing with Steuben Trust Company in the aggregate amount of \$10,625,000 which will refinance the construction loan and provide additional funds to be used for the project with the new lenders. The company has a current lease/leaseback and PILOT agreement with the Agency.

After a brief discussion, Ms. Aul motioned to approve the request; Mr. McCabe seconded the motion. The motion passed.

Mark Gabriele also stated that there was a need to hold an Executive Session to discuss litigation, and that it is for discussion purposes only and no Board action would be required.

11.0 Report from Executive Director

Sam Ferraro stated that he and staff are working on the 2018 Budgets which will be presented at the October Board Meeting. He also told the Board Members that staff is in the process of compiling a proposal to submit to Amazon for their new headquarters.

12.0 Any Other Matters the Board Wishes to Discuss

There were no other matters to discuss.

At this time, Ms. Aul motioned to enter into Executive Session; Mayor Pappas seconded the motion. Executive Session began at 9:25 a.m.

Mr. Ross motioned to come out of Executive Session; Mayor Pappas seconded the motion. Executive Session ended at 9:32 a.m.

13.0 Next NCIDA/NCDC/NADC Meeting:

DATE: Next Regular Meeting October 11, 2017

TIME: ** 9:00 a.m. **

PLACE: Niagara County Center for Economic Development

14.0 Adjournalment

Ms. Aul motioned to adjourn; Mr. Wolfgang seconded the motion. The meeting adjourned at 9:35 a.m.

Respectfully submitted:

Reviewed by:

Approved by:



Barbara A. Gill
Recording Secretary



Samuel M. Ferraro
Executive Director



Kevin McCabe
Secretary