

# NCIDA/NCDC REGULAR BOARD MEETING MINUTES

Thursday, September 9, 2009 – 9:00 a.m.

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

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## 1.0 Meeting Called to Order

The regular meeting of the Niagara County Industrial Development Agency was called to order by Chairman Sloma at 9:00 a.m.

## 2.0 Roll Call

Henry M. Sloma, Chairperson	Present
Mayor Michael Tucker, 1st Vice Chairperson	Present
Stephen F. Brady, 2 <sup>nd</sup> Vice Chairperson	Present
Deanna Brennen, Secretary	Present
Angelo Massaro, Assistant	Excused
John J. Petrozzi, Member	Present
Joseph C. Frain, Member	Present
Robert Connolly, Member	Present
Rev. Kevin Dobbs, Member	Present

## 3.0 Chairman Sloma led the Pledge of Allegiance.

## 4.0 Introduction of Guests

William L. Ross	Chairman, Niagara County Legislature
Don Hobel	Taxpayer
Eric Tudor	Coldwell Banker Meridian
Harold Halpern, Esq.	Calamar Enterprises (CI 6 Holdings)

### Staff Present

Samuel M. Ferraro, Executive Director  
Larry Witul, Assistant Director  
Susan Langdon, Marketing/Project Manager  
Gary Kelsey, Manager of Finance  
Michael Dudley, Accounting Associate  
Mark Gabriele, Agency Counsel  
Mary P. Melloni, Recording Secretary

## 5.0 Approval of NCIDA Meeting Minutes

### 5.1 NCIDA Regular Meeting of August 13, 2009

Chairman Sloma asked for a motion to approve the minutes of August 13, 2009.

*Mr. Frain made a motion, seconded by Mayor Tucker, to approve the meeting minutes of August 13, 2009. Motion passed.*

## **6.0 NCIDA Committee Reports**

### **6.1 Audit Committee**

#### **6.1.1 Agency Payables**

#### **6.1.2 Agency Financial Report**

Mr. Frain indicated that the Audit Committee reviewed the Agency payables and financial report through August 31, 2009, found them to be in order and recommends approval.

*Mr. Frain made a motion, seconded by Mr. Brady, to approve the Payables and Agency Financial Report. Motion passed.*

#### **6.1.3 Niagara Industrial Suites MTF Distribution**

Mr. Gabriele explained that as a result of the NFTA Audit on the Niagara Industrial Suites MTF, it was found that there was a surplus in revenue over expenses in the amount of \$91,365.00. It is being recommended by the Audit Committee that the Board approve this amount be divided between the NFTA and the NCIDA in the amount of \$45,682.50 each.

*Mr. Frain made a motion, seconded by Mr. Connolly, to approve the distribution of the surplus in the amount of \$45,682.50 each to the NFTA and NCIDA. Motion passed, with Chairman Sloma abstaining.*

## **6.2 NCDC Review Committee Report**

### **6.2.1 Jacob's Ladder LLC – RLF/MAP #362**

Ms. Brennan stated that this project was reviewed by the NCDC Committee and that they were impressed with the business which is steadily growing. Mr. Kelsey explained that Robert Palka, the owner, has had a loan through the Microenterprise program since 2004, and is current on this loan. It will be combined with the proposed new T/L (total approx. \$47,700).

Jacobs Ladder is a patented, commercial cardio piece of equipment designed for fitness enthusiasts, health club clientele, and training athletes. Under Mr. Palka's leadership, sales over the past four years have been more than doubled from the first full year of operations in 2005 to 2008. Jacobs Ladder has met positive receptivity in the following market segments: (1) Health Clubs; (2) Colleges and Universities; (3) Military and Fire Fighters; (4) Professional Sports. Sales up to this point have largely been developed through advertisements in health magazines, trade show networks and, to a lesser extent, through a distributor network.

**6.2 NCDC Review Committee Report (Continued...)**

**6.2.1 Jacob's Ladder LLC – RLF/MAP #362**

Ms. Brennen stated that the NCDC recommends approval of the \$40,000 term loan and refinance of the existing NCDC term loan of \$7,700.

*Ms. Brennen made a motion, seconded by Mr. Brady, to approve the loan to Jacob's Ladder. Motion passed.*

**6.3 Real Property Committee Report**

**6.3.1 Vantage International Park – Letter of Intent (Hapeman Services)**

Mr. Petrozzi explained that the Real Property Committee met and discussed the sale of 8 acres of property in Vantage International Park to Mr. Hapeman of Hapeman Services. After a discussion and review of his site plan, the committee deemed that the use of the land is compatible with the site. Mr. Hapeman has indicated he will landscape the site appropriately to meet the expectations and covenants of the park. Mr. Petrozzi stated that the committee recommends approval of the sale of this land.

*Mr. Petrozzi made a motion, seconded by Mr. Frain, to approve the sale of approximately 8 acres to Hapeman Services. Motion passed.*

**6.3.2 Vantage Center Lease – Total Solutions**

Mr. Petrozzi indicated that the Real Property Committee met and discussed this request and recommends approval of the lease.

Mr. Witul explained that Total Solutions of Niagara Falls has been expanding operations and outgrown their current location. The Company deals in software, data and computer networks and is in need of approximately 2,500 square feet of office and light warehousing space. Units 3, 6 and 7 in Vantage Center meet their needs.

*Mr. Petrozzi made a motion, seconded by Mr. Frain, to approve the lease of Units 3, 6 and 7 to Total Solutions, Inc. Motion passed.*

**6.3.3 Coldwell Banker Listing Agreement Renewal**

Mr. Petrozzi stated that the Real Property committee met and reviewed the status of their relationship with Coldwell Banker and agreed that the firm has done an excellent job marketing the park and the leasing of Vantage Center. The Committee recommends extending the listing agreement with Coldwell Banker for another year.

*Mr. Frain made a motion, seconded by Mr. Connolly, to approve the extension of the listing agreement with Coldwell Banker. Motion passed.*

**Leadership Niagara**

Chairman Sloma indicated that there had been a recent request from Leadership Niagara to lease the last remaining space in Vantage Center. This was amid concerns that leasing to LN may interfere with the grant provided by the federal government that earmarks the building for economic development. Mr. Gabriele determined that it would not encroach on that grant. After much discussion, it was determined that the Board needs to come up with a conclusion for Leadership Niagara. Chairman Sloma indicated that a similar request from another not-for-profit group, the United Way of Niagara, was denied when it was determined it was not compatible with the economic development requirement. Chairman Sloma explained that it is only fair that the same conclusion be reached for Leadership Niagara. He indicated that Leadership Niagara does some great work, but the last remaining space in the building should be reserved for economic growth.

*Mr. Frain made a motion, seconded by Mr. Connolly, to deny the request by Leadership Niagara to lease space in Vantage Center. Motion passed.*

**6.4 Governance Committee Report**

Mr. Brady explained that the Committee has not yet met due to the fact that they were awaiting the outcome of some current legislation. He anticipates that they will meet prior to the next board meeting.

**7.0 NCIDA Unfinished Business**

**7.1 SK & HJS, Inc. (Comfort Inn)**

**7.1.1 Extension of Inducement**

Mr. Gabriele explained that this is a project that was induced one year ago and is planning on closing with the Agency within the next 30 days. However, in order to provide flexibility with the closing date, it is recommended that the board approve a 6-month extension to the inducement.

*Mayor Tucker made a motion, seconded by Ms. Brennen, to approve the extension of the inducement for SK & HJS, Inc.*

*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>Nea</u>	<u>Abstain</u>	<u>Absent</u>
Henry Sloma	[ X ]	[ ]	[ ]	[ ]
Michael W. Tucker	[ X ]	[ ]	[ ]	[ ]
John J. Petrozzi	[ X ]	[ ]	[ ]	[ ]
Stephen Brady	[ X ]	[ ]	[ ]	[ ]
Kevin Dobbs	[ X ]	[ ]	[ ]	[ ]
Deanna Brennen	[ X ]	[ ]	[ ]	[ ]
Robert Connolly	[ X ]	[ ]	[ ]	[ ]
Angelo Massaro	[ ]	[ ]	[ ]	[ X ]
Joseph C. Frain	[ X ]	[ ]	[ ]	[ ]

*The resolution was thereupon duly adopted*

## **7.2 RM1 Holdings, LLC**

### **7.2.1 Consent to Transfer**

Mr. Gabriele explained that RM1 Holdings is the Senior Housing Complex located at 3979 Forest Parkway, managed by Calamar Enterprises. The membership parties are contemplating transferring all of their membership interest to another stakeholder and any transfer over 50% requires approval of the Agency Board of Directors. There have been no violations of the current lease agreement and all terms and conditions will remain in effect. The new stakeholder will be required to meet all the same requirements for employment, investment, etc.

*Mr. Frain made a motion, seconded by Mr. Brady, to approve the transfer of holdings by RM1 Holdings to NA Realty Fund 1A, LLC. Motion passed.*

## **8.0 New Business**

### **8.1 CI6 Holdings (Viatran Corporation)**

Mr. Witul explained that CI6 is an existing Project of the Niagara County IDA undertaken 6 years ago as a spec building in the Woodland Corporate Park. Part of the building has been leased; however, there remained additional leasable space that was to be completed when a new tenant was identified. Viatran Corporation, a manufacturer of pressure and level measurement devices, is currently leasing space on Grand Island. The company is outgrowing this space and its landlord is a competitor, therefore it became prudent for the company to find new space to meet their growing needs.

Mr. Witul stated that when the Company conducted a search, four location options were identified: a Western New York location, out of State, off shore, or Woodlands Park in Niagara County. Due to the high number of Niagara County residents working for the company, they have chosen to locate the company here. Viatran would lease 18,000 square feet of production and office space, invest over \$1 million, retain 45 people, and create 30 new jobs over the next 3 years.

Currently, the CI6 building at Woodlands Park is the preferred location. Conditions for locating at this facility include the availability of sales and property tax exemptions. The company wants a full 15-year PILOT (requiring a modification to the existing 4 year old PILOT), sales tax exemptions on build-outs and equipment, and Empower Niagara low cost electric power. The Niagara County Legislature has supported the 150 kw power allocation.

**8.0 New Business**

**8.1 CI6 Holdings (Viatran Corporation) Continued...**

Chairman Sloma indicated that recently the Niagara County legislature also approved 150 kilowatts of low cost power as an additional incentive for Viatran.

Mr. Gabriele explained that the building will be subdivided and Viatran will receive the renewed 15-year PILOT, while the remaining portion of the building will remain on the existing PILOT. The lease agreement is triple net, indicating that Viatran is responsible for all PILOT payments on their portion of the building.

Mr. Halpern, Counsel for Calamar Enterprises, indicated that they are appreciative of all the assistance provided to them by the Niagara County Legislature and the NCIDA on this project. He indicated that if the company had not received this assistance from Niagara County, they would have moved out of State as they were unable to accomplish what they need to in Erie County.

**8.1.1 Preliminary Resolution**

*Mr. Petrozzi made a motion, seconded by Mr. Brady, to approve the Preliminary Resolution for CI6 Holdings.*

*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>Nea</u>	<u>Abstain</u>	<u>Absent</u>
Henry Sloma	[ X ]	[ ]	[ ]	[ ]
Michael W. Tucker	[ X ]	[ ]	[ ]	[ ]
John J. Petrozzi	[ X ]	[ ]	[ ]	[ ]
Stephen Brady	[ X ]	[ ]	[ ]	[ ]
Kevin Dobbs	[ X ]	[ ]	[ ]	[ ]
Deanna Brennen	[ X ]	[ ]	[ ]	[ ]
Robert Connolly	[ X ]	[ ]	[ ]	[ ]
Angelo Massaro	[ ]	[ ]	[ ]	[ X ]
Joseph C. Frain	[ X ]	[ ]	[ ]	[ ]

*The resolution was thereupon duly adopted*

**9.0 NCIDA Information Items – None.**

**10.0 Agency Counsel**

Mr. Gabriele stated that with respect to the issue regarding Hickory Stick Golf Course in Lewiston and whether or not the implementation of the TERO law is consistent with the Agency's agreement, a request has been filed with EEO Chairman and the new Chairman of the Bureau of Indian Affairs. As soon as a response is received, Mr. Gabriele indicated he will update the Board.

**11.0 Any Other NCIDA Matters the Board Wishes to Discuss – None.**

**12.0 Next Regular NCDC - NCIDA Board Meeting:**

**DATE:** October 14, 2009  
**TIME:** 9:00 a.m.  
**PLACE:** Niagara County Center for Economic Development

**14.0 Adjournment**

*Mr. Brady made a motion, seconded by Mr. Frain, to adjourn the meeting at 9:37 a.m.  
Motion passed.*

Respectfully submitted,

Reviewed by,

Approved by,

\_\_\_\_\_  
Mary P. Melloni  
Administrative Assistant

\_\_\_\_\_  
Samuel M. Ferraro  
Executive Director

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Deanna Alterio-Brennen  
Secretary