

**MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY INDUSTRIAL
LAND DEVELOPMENT CORPORATION
(ILDC)**

DATE AND PLACE: October 23, 2024, at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Denise Abbott, Daniel Castle, Hon. John J. Gilmour, Richard Lipsitz, Jr. and Hon. Christopher P. Scanlon

EXCUSED: Hon. April Baskin and Hon. Mark C. Poloncarz

OTHERS PRESENT: John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Accounting Manager; Grant Lesswing, Director of Business Development; Daryl Spulecki, Assistant Loan Manager; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Michelle Moore, Compliance Associate; Elizabeth Hughes, General Counsel/Harris Beach PLLC and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

GUESTS: Zachary Evans on behalf of Erie County; Daniel Castle on behalf of Erie County; Yessica Vasquez on behalf of City of Buffalo; Jonathan Epstein on behalf of the Buffalo News; J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 12:40 p.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order by Vice Chair, Mr. Lipsitz, who presided over the meeting in the absence of Chair Poloncarz.

MINUTES

Ms. Abbott moved, and Mr. Castle seconded to approve of the September 25, 2024 minutes. Mr. Lipsitz called for the vote and the minutes were unanimously approved.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

Financial Report. Ms. Profic presented the September financial reports. The balance sheet shows ILDC ended August with total assets of \$14.7M (Grants receivable of \$3.9M represent amounts awarded by several sources, the largest being Buffalo Billion II funds from Empire State Development. Restricted cash has been higher the past few months due to replenishment of the Buffalo Billion II imprest account in May). Net assets remained steady around \$7.6M. The September income statement includes \$1,700 of operating revenue, \$35,000 of expenses and \$2,600 of net special project expenses. Factoring in non-operating income there was a net loss of \$46,112 in September. The year-to-date income statement shows operating revenues of \$381,000 and operating expenses of \$396,000. Net special project grant revenue of \$1,000 and \$1,300 of non-operating revenue leads to net loss of \$14,597 so far in 2024. Mr. Lipsitz directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Profic advised that the committee last met on September 17 and noted we are coming to the end of our 2025 budget process. The Board will be asked to vote on the 2025 budget today in order to meet the November 1 ABO deadline. Mr. Lipsitz directed that the report be received and filed.

Approval of 2025 Proposed Budget. Ms. Profic reviewed the ILDC's proposed budget for 2025. She also reviewed the explanation of changes to the budget for 2025 and the budget itself. There haven't been any changes to the 2025 budgeted amounts since we reviewed the budget last month, we did update the 2024 projections. For 2025, we are budgeting revenue of \$529,000, expenses of \$337,000, and net special project expenses of \$100,000. Special projects include Renaissance Commerce Park and the Angola Ag Park. After depreciation, budgeted net income amounts to \$87,392. Ms. Profic also reviewed the 3-year forecast as required by the ABO.

Ms. Abbott moved and Mr. Gilmour seconded to approve of the 2025 proposed Budget. Mr. Lipsitz then called for the vote and the motion was unanimously approved.

Governance Committee Update. Ms. Profic advised the Board that the Governance Committee met on October 18 to review the recommendations for professional legal services. She advised this was the culmination of about a 4 month process, as documented below:

- RFP developed with feedback from staff, Governance Committee, prior RFP
- RFP distributed in July via multiple channels to reach as many firms as possible
- 5 proposals were received – firms were invited to propose on any combination of positions, however no contingent proposals were permitted
- Staff committee reviewed and scored proposals based on the qualifications and experience of assigned attorneys as well as the firm overall, proposed hourly rates/fees, and M/WBE development.
- After the initial scoring, the committee interviewed 3 firms
- After the interviews were complete, the staff committee regrouped to discuss overall recommendations based on the results of the interviews

Ms. Profic advised that the Governance Committee concurred with the staff committee's recommendations and requested the Board approve entering into contracts with the recommended firms and noted that the contracts will be for a period of three years, with 2 one-year extensions available (can be exercised with Governance Committee approval).

Mr. Lipsitz then asked for a motion authorizing the President, Executive Vice President, Treasurer and/or Assistant Treasurer to enter into a contract for legal services with each of the following law firms as recommended by the Governance Committee: Harris Beach as General Counsel, Tax-Exempt Bond Counsel-conflict counsel and Loan Counsel-conflict counsel, Hodgson Russ as Tax-Exempt Bond Counsel; and Hurwitz & Fine as Loan Counsel and General Counsel-conflict counsel. Mr. Scanlon moved, and Mr. Castle seconded, to engage the aforementioned law firms as noted. Mr. Lipsitz called for the vote and the motion as unanimously approved.

Loan Status Report. Mr. Spulecki provided this report to Board members. Mr. Lipsitz directed that the report be received and filed.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 12:53 p.m.

Dated: October 23, 2024



Elizabeth A. O'Keefe, Secretary