

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**NEW YORK STATE URBAN DEVELOPMENT CORPORATION**

d/b/a Empire State Development Corporation  
Meeting of the Directors  
New York City Regional Office  
633 Third Avenue  
37<sup>th</sup> Floor Conference Room  
New York, New York 10017

and

Buffalo Regional Office  
95 Perry Street  
Buffalo, New York 14203

and

Syracuse Regional Office  
620 Erie Boulevard West  
Syracuse, New York 13204

November 21, 2011

**MINUTES**

**In Attendance**

**Directors:**

Julie Shimer – Chair  
Kenneth Adams  
Derrick Cephas  
Paul Ciminelli  
Robert Dyson  
Joyce Miller  
Regina Stone – Designee for Superintendent – Department of  
Financial Services

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**Present for ESD:**

Maria Cassidy, Deputy General Counsel  
Joseph Chan, Executive Vice President – Business Development  
Justin Ginsburgh, Chief of Staff  
Robert Godley, Treasurer  
Brendan Healey, Project Manager  
Sam Hoyt, Senior Vice President, Regional Economic Development  
Barbara Lampen, Director of Design and Construction  
Edwin Lee, Senior Project Manager – Loans and Grants  
Sheri Lippowitsch, Vice President – Loans and Grants  
Diana Lopez, Executive Vice President - Business Services  
Eileen McEvoy, Corporate Secretary  
Kathleen Mize, Deputy CFO and Controller  
Natasha Pallan, Director – Subsidiary Finance  
Sheila Robinson, Deputy to CFO  
Susan Shaffer, Vice President – Loans and Grants  
Austin Shafran, Vice President – Public Affairs  
Renzo Sosa, Manager – Procurement and Administration  
David Stein, Senior Director – Portfolio Management  
Robin Stout, Senior Counsel  
Frances A. Walton, Chief Financial and Administrative Officer

**Also Present**

Steve Gawlik, Senior Vice President – Capital Projects and Senior Counsel – Western New York Region  
Robert McNary, Regional Director – Finger Lakes Region  
Christina Orsi, Regional Director – Western New York Region  
Aimee Vargas, Regional Director – Mid-Hudson Region  
Arnold Will, EDP Admin 1, Capital Region  
The Press  
The Media

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 10:34 a.m. by Chair Shimer. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, Chairperson Shimer set forth the guidelines regarding comments by the public on

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matters on the Agenda.

Ms. Shimer then asked the Directors to approve the Minutes of the October 20, 2011 Directors' meetings. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 20, 2011 MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION

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RESOLVED, that the Minutes of the meeting of the Corporation held on October 20, 2011, as presented to this meeting, are hereby approved and all actions taken by the Directors presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

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Ms. Mize then asked the Directors to authorize ESD to appoint Toski, Schaefer & Co., PC as the Corporation's independent accountants audit firm for a term of four years in the aggregate amount of \$910,000.

Among other things, Ms. Mize outlined the process utilized in selecting this firm.

Director Dyson asked if the \$910,000 was for each year and Ms. Mize stated that the \$910,000 will cover four years.

Following the full presentation, Chair Shimer called for any further questions or

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comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Authorization to Enter Into a Contract with Toski, Schaefer & Co., P.C. to Provide Independent Accounting/Audit Services and to Take Related Actions

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BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the “Materials”), a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds Toski, Schaefer & Co., P.C. to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Toski, Schaefer & Co., P.C. in an amount not to exceed Nine Hundred Ten Thousand Dollars (\$910,000) for the purposes and services, and substantially on the terms and conditions, set forth in the Materials; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Next, Mr. Gawlik asked the Directors to adopt Guidelines for the Implementation of the Land Bank Program.

Mr. Gawlik explained that the Program was established in the last legislative session as an amendment of the New York State Not-For-Profit Corporation Law. He explained that the Program allows municipalities to create not-for-profit corporations for the purposes of acquiring real property that is primarily tax delinquent, tax foreclosed and vacant and abandoned in order to return the property to productive use.

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Mr. Gawlik further explained that the statute references ESD's role in the Program as being responsible for the approval of the formation of each land bank. He further noted that the statute limits the number of land banks that can be created across the State to ten.

Mr. Gawlik went on to explain that the guidelines lay out the application process, its criteria, criteria evaluation and the approval process.

Mr. Gawlik then set forth ESD's anticipated schedule with regard to the application process.

Following Mr. Gawlik's full presentation, the Chair called for questions or comments. Director Miller asked why the number is limited to ten and how will the land banks be distributed Statewide.

Director Miller then asked whether other municipalities across the State lack the power to take properties in an in rem tax foreclosure.

Mr. Gawlik stated that while not all municipalities in the State have a specific in rem power, in each locality, there exists an entity with the power to foreclose on tax delinquent properties.

Mr. Gawlik then explained that the number 10 is limited by statute. Mr. Gawlik further

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advised that there is a provision in the guidelines where there is consideration for geographic proportionality.

There being no further questions or comment, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Land Bank Program – Adoption of Guidelines for the Approval and Implementation of the Land Bank Program

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RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby adopts the Program guidelines (the “Guidelines”) for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to take such actions and make such modifications to the Guidelines as he or she may deem appropriate in connection with the Program; and be it further

RESOLVED, that President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

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Mr. Adams then asked the Directors to approve the appointment of Sam Hoyt as a Director of the Upstate Empire State Development Corporation.

Following this presentation, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

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UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION – Appointment of Director

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BE IT RESOLVED, that Mr. William (Sam) Hoyt, III, as Senior Vice President – Regional Economic Development of the New York State Urban Development Corporation, doing business as Empire State Development (“ESD”) is hereby appointed as a director of Upstate Empire State Development Corporation (“Upstate ESDC”).

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The Chair then asked David Stein to present a loan portfolio item. Mr. Stein explained that ESD has negotiated this settlement of Greenway Apartments, a 208-unit Mitchell-Lama Residential Project located in Baldwinsville, New York, to allow the developer, Liberty Affordable Housing of Rome, New York to undertake a needed rehabilitation of the project.

Mr. Stein provided an outline of the scope of the rehabilitation work as well as of the proposed financing of the work.

Following Mr. Stein’s full presentation, Chair Shimer called for questions or comments. Director Miller asked if the loan provided through housing tax credits will cover all of the units or just a portion of those units. Mr. Stein stated that it covers a portion of them and that those units have specified rents.

Director Miller then asked if the remainder of the units will remain under the rent constrictions of the Mitchell-Lama Program and will continue to be rent regulated, etc. Mr. Stein stated that that will be the case.

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There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

BALDWINVILLE, NY (ONONDAGA COUNTY) - GREENWAY APARTMENTS - (UDC LOAN NO. 187) - AUTHORIZATION TO (i) SATISFY THE FMD MORTGAGE IN RETURN FOR A PAYMENT OF CASH AND A CASH FLOW NOTE AND (ii) TAKE ALL RELATED ACTIONS.

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RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the New York State Urban Development Corporation, relating to the Greenway Apartments (UDC Loan No. 187), the Corporation be and hereby is authorized to (i) Satisfy the FMD Mortgage in Return for a Payment of Cash and a Cash Flow Note and (ii) Take All Related Actions; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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The Chair then asked Mr. Lee to present a summary of the Discretionary Project items on the Agenda. Chair Shimer explained that following Mr. Lee's brief presentation, she would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. Lee noted that the Directors are being asked to approve five grants totaling \$1,700,000 from the Empire State Economic Development Fund and one \$900,000 Restore New York grant. Mr. Lee added that these projects will leverage over \$42 million in additional investments and will assist in retaining 541 jobs and in creating approximately 224 jobs across New York State.

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Following Mr. Lee’s summary, the Chair asked Mr. Will, representing ESD’s Capital Regional Office, to present the Owens Corning Insulating Systems Capital Grant project for the Directors’ consideration.

Mr. Will asked the Directors to authorize ESD to make a \$400,000 capital grant to Owens Corning, the leading global producer of residential and commercial building insulation materials.

The grant, he continued, will be used to assist with the costs of infrastructure and utility upgrades to rebuild a glass furnace, the purchase and installation of new machinery and equipment, and employee training to restart a fiberglass insulation manufacturing line. Mr. Will indicated that the project resulted in 176 jobs retained and 96 newly-created jobs.

Following the full presentation, the Chair called for questions or comments. Director Dyson stated that this is exactly the kind of project that ESD should be doing.

Director Miller then noted that the grant is only two percent of the total development cost of the project financing. She then asked if the borrowers believed that that was enough incentive to make a difference in their location decision.

Mr. Will stated that there was also assistance provided by Community Renewal and with

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both sources of assistance, it was determined that enough incentive was provided for the company to move forward.

Mr. Will further noted that the Company has also submitted an application for Recharge funding. He added that that application has not yet been assessed.

Director Adams added that this is an example of an incentive whereby all State agencies are aligned to pull resources together. In a case such as this, he continued, ESD's dollar commitment may appear to be small but it is the broader package that the Company is evaluating.

Director Ciminelli then asked why the Company did not approach the local IDA for a freeze on sales tax. Mr. Will explained that the project involved primarily machinery and equipment and not building materials so that would not provide a significant benefit.

Director Adams noted that manufacturers in New York State buy machinery free of sale tax.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted.

Feura Bush (Capital Region – Albany County) – Owens Corning Insulating Systems Capital – Empire State Economic Development Fund – General Development Financing (Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act;

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Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Owens Corning Insulating Systems Capital - Empire State Economic Development Fund – General Development Financing (Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Owens Corning Insulating Systems, LLC a grant for a total amount not to exceed Four Hundred Thousand Dollars (\$400,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to

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the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Chair Shimer then asked Aimee Vargas, the Director of ESD’s Mid-Hudson Regional Office, to present the Shelburne Plastics EDF project for the Directors’ approval.

Ms. Vargas provided the background information with regard to this request for authorization for ESD to make a \$150,000 capital grant to Shelburne Plastics in Sullivan County.

Among other things, Ms. Vargas explained that the grant will be utilized to assist in the purchase of an existing 24,000 square foot building with eight acres, building renovations and the purchase and installation of machinery and equipment. Ms. Vargas further explained that the total project cost is \$4 million and is expected to create a total of 50 new jobs by January 2013 of which six have already been created with nine more expected by calendar year-end.

Following this presentation, Chair Shimer called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously

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adopted:

Monticello (Mid-Hudson Region – Sullivan County) – Shelburne Plastics Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Shelburne Plastics Capital -- Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Plastic Technologies of New York, LLC d/b/a Shelburne Plastics a grant for a total amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000) from the Empire State

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Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Next, Mr. McNary presented the Brunner International EDF Capital grant project for the Directors' approval.

Mr. McNary requested authorization for ESD to make a \$150,000 grant to the company to assist in the cost of renovations, construction and the purchase of new machinery and equipment. Mr. McNary noted that the Company has already created 98 new jobs as a result of the project, far exceeding the 50 new jobs requirement that was a condition to the ESD assistance.

Following Mr. McNary's full presentation, Chair Shimer called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution

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was unanimously adopted;

Medina (Finger Lakes Region - Orleans County) – Brunner International Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Brunner International Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Brunner International, Inc. a grant for a total amount not to exceed One Hundred and Fifty Thousand Dollars (\$150,000) from the Empire State Economic Development Fund, for the

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purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Medina (Finger Lakes Region - Orleans County) – Brunner International Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Brunner International Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Ms. Orsi then presented the Edwards Vacuum EDF Capital grant project and the Buffalo Niagara Convention Center EDF Capital grant for the Directors’ consideration.

First, Ms. Orsi requested that the Directors authorize ESD to make a \$500,000 capital grant to Edwards Vacuum, a leading global supplier of manufacturing components for the

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semiconductor industry as well as a number of other key industries.

The grant, Ms. Orsi further explained, will be used to assist in the renovation and expansion of their Western New York facility, and the purchase of machinery and equipment associated with the establishment of a new product line. Ms. Orsi explained that the total project cost is \$1.5 million and has already resulted in the creation of 32 new jobs – more than the 28 new jobs required for the ESD funding.

Ms. Orsi then asked the Directors to authorize ESD to make a \$500,000 grant to the Buffalo Niagara Convention Center Management Corporation. Ms. Orsi explained, in part, that the grant will be used to assist in the renovation of the convention center to add updated technology.

Ms. Orsi added that this is key to ESD's continued development of tourism in attracting visitors to the area.

Following Ms. Orsi's presentation of the specifics of each transaction, the Chair called for questions or comments. Director Miller asked if the Buffalo Convention Center had a positive cash flow or if it operated at a loss.

Ms. Orsi stated that it was her belief that the Convention Center is able to cover its expenses through the conventions that it hosts each year. She continued explaining that the

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County does provide subsidies along with ESD for capital improvements to the facility.

Director Miller asked if there is only a subsidy for capital improvements or if there is also an operating subsidy.

Ms. Orsi stated that tax revenue also goes into the Convention Center for part of that operation.

Director Ciminelli asked if it was correct that the money has already been spent. Director Adams stated that it was not ESD money that was spent but rather the Convention Centers and now ESD is making its payment.

On an indirectly related matter, Director Adams then noted that as the transition to Regional Councils takes place, the Directors are being asked to approve allocations for projects that were set in motion prior to the Governor's Regional Council Initiative. He then stated that ESD wants to make sure that these actions, while they did not come through the CFA process, have been brought to the attention and have received the support of the Council Members. Director Adams asked Ms. Orsi for a status on that. Ms. Orsi stated that she informs her co-chairs of all of the projects that go to the board prior to the meeting and that these projects are well aligned to the overall plan.

Chair Shimer then asked if it is correct with regard to projects that the Directors

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approved prior to the formulation of the plans and that are not consistent with the plans, that the State would still have to pay provided that all project obligations were met. Director Adams stated that that was correct.

A brief discussion was then had with regard to the workings of the Regional Councils process and ESD’s role in that process. Director Dyson noted that the Regional Council initiative has resulted in increased awareness throughout the State of the importance of economic development as a governmental function and Director Ciminelli applauded the bottom-up approach of this initiative.

There being no further questions or comments, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Sanborn (Western New York Region – Niagara County) – Edwards Vacuum Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Edwards Vacuum Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;

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2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Edwards Vacuum, Inc. a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Sanborn (Western New York Region – Niagara County) – Edwards Vacuum Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Edwards Vacuum Capital – Empire State Economic Development Fund – General Development Financing (Capital Grant) Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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Buffalo (Western New York Region – Erie County) – Buffalo Niagara Convention Center Capital – Empire State Economic Development Fund – Commercial Development Financing (Capital Grant); Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Buffalo Niagara Convention Center Capital - Empire State Economic Development Fund – Commercial Development Financing (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with

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such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Buffalo Niagara Convention Center Management Corporation a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Mr. Lee then presented the Restore New York Consent Calendar for the Directors' approval. Before presenting the one grant to be considered by the Directors, Mr. Lee provided a brief history of the funding for this program and the status of the program thus far.

Following the presentation of the specifics of the requested \$900,000 grant to the Town of Sullivan in Madison County to deconstruct two buildings and rebuild the site to include residential and commercial spaces, Chair Shimer called for questions or comments.

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Director Miller asked if the residential units would be market rate and Mr. Lee stated that they would be. Director Miller asked if her assessment that ESD is providing a subsidy to a private developer to make whatever profit he can make on the property is correct.

Mr. Lee stated that it is correct that the developer is not discouraged from making money on the project.

Director Miller then asked if there was a demand for residential and/or commercial space in the area. Mr. Lee stated that he was not familiar with that particular real estate market but that he would get back to Director Miller on those details.

Director Adams then noted that the Restore Fund lends itself to Downtown Community Revitalization in small historic upstate downtowns. He then asked Ms. Walton to provide further details with regard to this funding source.

Ms. Walton stated that these funds go through an entirely different process than, for example, the JOBS Now Program encompasses, and that they are specifically aimed at this type of project.

In response to Director Miller's further statements questioning the fact that almost \$1,000,000 in State funds is being provided to subsidize a private real estate development, Ms. Walton stated her belief that the benefit goes far beyond the developer's particular

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interest in the property in the sense that it is enhancing the community.

A brief discussion followed with regard to Director Miller’s questioning of the prudence of making such a grant where there is no provision that the State would either be reimbursed directly or be provided with some form of public benefit as a result of the project.

Among other things, it was noted that the Restore Program was not designed to include an ability by the State to claw back funds and that the legislation would have to be revised in order to include such a provision.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Statewide – Restore NY Communities – Capital Grants – Land Use Improvement Findings and Determinations Pursuant to Sections 10 (c), 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore NY Communities Capital Grant Project (the “Projects”), the Corporation hereby determines pursuant to Sections 16-n and 10 of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The area in which the project is to be located is a substandard or unsanitary area, or is in danger of becoming a substandard or unsanitary area and tends to impair or arrest sound growth and development of the municipality.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

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3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.
4. There are no families or individuals displaced from the Project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plans (the “Plans”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to a grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Restore NY Communities – Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
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	<b>Restore NY Communities Projects</b>			
A.	Sullivan – RESTORE III – The Pottery	W842	Town of Sullivan	\$900,000
			<b>TOTAL</b>	<b>\$900,000</b>

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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Ms. Lippowitsch then presented the November Non-Discretionary Consent Calendar for approval. Ms. Lippowitsch briefly outlined the content of the consent calendar noting, in part, that the calendar includes one item that was authorized or re-appropriated in the 2011 – 2012 New York State budget, a grant totaling \$50,000 to the Western New York Railway Historical Society to restore the Orchard Park Train Depot. In response to a question posed by Director Miller, Ms. Lippowitsch clarified that this is a historical site and not a working depot.

Following the presentation the Chair called for questions or comments. Hearing none and upon motion duly made and seconded, the following resolution was adopted:

Community Capital Assistance Program – Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Community Capital Assistance Program Project (the “Project”), in accordance with Chapter 84 of the Laws of 2002 for the Community Capital Assistance Program, the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of

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Section 16(2) of the Act, the General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Community Capital Assistance Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Community Capital Assistance Program – Senate - Project Summary Table

	<b>Project Name</b>	<b>Proj #</b>	<b>Grantee</b>	<b>Assistance up to</b>
A	WNYRHS – Orchard park Depot Site Restoration Capital	W448	Western New York Railway Historical Society, Inc.	50,000
			<b>TOTAL</b>	<b>\$50,000</b>

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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It was then noted that the Directors had received the Budget Variance Report prior to

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the meeting and although there would not be a presentation with regard to this report, staff was available to answer any questions.

It was further noted that ESD President Kenneth Adams was called away from the meeting and therefore, no President's Report would be provided.

There being no further business, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,

Eileen McEvoy  
Corporate Secretary