

TOWN OF LOCKPORT INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS

Meeting Minutes January 11th, 2024

1.0 Roll Call

Present – Chairman Todd Fragale, Treasurer Kristin Anderson, Secretary Jeanine Chatt. Board Members Robert Runk, and Terry Kuczka. Legal Counsel – Tom Seamann Dan Seaman. Administrative Director – Thomas Sy.

Excused: Dan Antkowiak, Vice Chair Darlene DiCarlo

CALL TO ORDER:

The regular January Board meeting was called to order at 8:08 am by Chairman Todd Fragale following the Annual Meeting.

3.0 SECRETARY’S REPORT:

On a motion by Mr. Runk, seconded by Mr. Kuczka, the minutes of the December 14th Board Meeting were approved. Vote 5-yes, 0-no, unanimous.

4.0 TREASURER’S REPORT:

Mrs. Anderson reviewed for the Board the December 31st financial statements. The review covered the Income Statement, Statement of Cash Transactions, and Balance Sheet. On the Income Statement, Mrs. Anderson highlighted the quarterly payments to the CFO and Attorneys, and the deed recording from the Yahoo land purchase. The month end deficit was \$27,354.92 and the year-end surplus was \$174,122.89. As concerns the Statement of Cash Transactions, Mrs. Anderson noted the closing cash balance of \$1,672,223.27 and prior months disbursements. Concerning the Balance Sheet, Mrs. Anderson highlighted the checking and savings accounts balances, the prepaid expense for the IDA’s portion of the Business First subscription and the details of the month’s accounts payable. On a motion by Mrs. Chatt, seconded by Ms. Runk, the report was approved as presented. Vote 5-yes, 0-no, unanimous.

Mrs. Anderson reviewed the monthly bills for January 11th, 2024 that totaled \$23,195.25. Notable were the quarterly payments to the CFO and Attorneys and a number of annual dues payments. Mrs. Anderson made a motion to approve the payment of bills, seconded by Mr. Kuczak. Motion carried.

5.0 ADMINISTRATIVE DIRECTOR’S REPORT:

Mr. Sy reviewed highlights of his submitted report for the month December and early January.

Mr. Sy reported that 4922 IDA Park Dr (Up North Hosting) is still on the market. He is aware of two interested parties.

Mr. Sy reported that CV Plastics via Schutt Engineering made an introductory presentation to the Town Planning Board in early January.

Mr. Sy announced that he is working on grant applications to 2 local foundations for funding to expand the Day Rd Park playground to include sensory and accessible equipment.

Mr. Sy reported that he has facilitated the submittal of two state grant contracts with ECF and DOT involving the Engineering Planning Grant and East High Culvert projects.

Mr. Sy reviewed a blank copy of the Annual Jobs Reporting form complete with an attestation statement sent to all businesses under a PILOT in 2023. The forms are due back January 19th and are a key part of the PARIS Report.

6.0 ATTORNEY'S REPORT:

- 1) Attorney Dan Seaman noted the IDA had sent notice to Up North Hosting of them being in default of their PILOT on November 15th. He reported that there was no response from the company in the allowed 30-day window. Mr. Seaman read for the IDA Board the resolution noting after due investigation, and upon recommendation of the review committee, the Lease and Leaseback Agreements as contained in the Record of Proceedings are hereby terminated. The PILOT Agreement is cancelled and further, the Administrative Director and Chairman of the Board are authorized to take any and all actions as advised by the IDA attorney to recover benefits or tax abatement benefits realized by Up North Hosting, LLC.

On a motion by Mr. Runk, seconded by Mr. Kuczak, the attached resolution was approved.
Vote 5-yes, 0-no, unanimous.

7.0 OLD BUSINESS:

8.0 EXECUTIVE SESSION:

A motion was made by Mrs. Chatt to enter Executive Session for purposes of consultation with Attorney at 8:30 am. The motion seconded by Mr. Runk. A motion was made by Mr. Runk to exit Executive Session at 8:48am. The motion was seconded by Mrs. Chatt.

9.0 NEW BUSINESS:

Mr. Sy distributed copies of the IDA's UTEP and the Procurement, Travel, Executive Compensation and Financial Management policies. He noted each had minor changes to them to be consistent with the Boards practices. A motion was made by Mr. Runk and seconded by Mrs. Chatt to approve the new Procurement Policy. Motion carried. A motion was made by Mrs. Chatt and seconded by Mrs. Anderson to approve the UTEP, Code of Ethics, Travel, Financial Management and Executive Compensation policies as amended. Motion carried.

10.0 NEXT MEETING:

The next meeting of the IDA Board is scheduled for 8:00 am on February 8th, 2024 and may include an Audit Committee meeting if the external audit is complete. Two Board members noted their planned absence for the 8th and as such Mr. Sy will reach out to all Board members to confirm a quorum.

11.0 ADJOURNMENT:

On a motion by Mr. Kuczka, seconded by Mrs. Chatt the Board voted to adjourn at 8:50 am. Vote 5-yes, 0-no, unanimous.

Respectfully submitted,

Jeanine Chatt
Secretary Town of Lockport IDA

TOWN OF LOCKPORT INDUSTRIAL DEVELOPMENT AGENCY RESOLUTION

WHEREAS, pursuant to the Project Record of Proceedings, dated as of May 1, 2018, Up North Hosting, LLC has been duly noticed pursuant to letter dated November 15, 2023 and sent to all interested parties by certified mail return receipt requested, that it is in violation of the various provisions of the Project and Agreements set forth in said Record of Proceedings, and

WHEREAS, no parties have responded to said letter entitled NOTICE OF VIOLATION.

NOW, after due investigation, and upon recommendation of the review committee established for review of the Executive Director, the Chairman and an additional Board Member,

IT IS, the finding of this Board that Up North Hosting, LLC is in violation of the terms of the Record of Proceedings and Agreements contained therein, as follows:

- 1) No employees are working at THE FACILITY REALTY SITE (commonly known as 4922 I.D.A. Park Drive, Lockport, NY). The Lease Back, and Project documents require 85% of five full time employees and two part time employees.
- 2) Up North Hosting, LLC have not paid the 2023 Pilot payment for school taxes as required by the Pilot Agreement.
- 3) Up North Hosting, LLC is not utilizing the facility for the purposes set forth in the inducement resolution and closing documents. On checking several times during normal business hours, no one was present at the building site.
- 4) Up North Hosting, LLC have listed the building located at 4922 I.D.A. Park Drive for sale and there is a "For Sale" sign at the property.
- 5) Up North Hosting, LLC have not paid the IDA attorney its legal fee for reviewing, discussing with attorneys, revising, and taking to Board approval and execution of certificate of agency and consent for transfer, which was forwarded to William X. Lang, IN ESCRWO on July 14, 2022.

- 6) Up North Hosting, LLC have not provided proof of insurance naming the Town of Lockport as additional insured covering the present time.

NOW THEREFORE, this Agency takes the following action:

- 2) The Lease and Leaseback Agreements as contained in the Record of Proceedings are hereby terminated.
- 3) The PILOT Agreement is cancelled.

The Administrative Director of the Agency, and the Chairman of the Board and its attorneys are authorized to take all necessary action as they shall determine to terminate any and all benefits afforded to Up North Hosting, LLC as set forth in said Record of Proceedings, and to take any and all actions as advised by the IDA attorney to recover benefits or tax abatement benefits realized by Up North Hosting, LLC.